JPRS-UWE-86-007 20 JUNE 1986

USSR Report

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 3, MARCH 1986

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

USSR REPORT

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 3, MARCH 1986

[Translation of the Russian-language monthly journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA published in Moscow by the Institute of World Economy and International Relations, USSR Academy of Sciences.]

CONTENTS

English Summary of Major Articles (pp 158-159)	1
APPROACHING THE 27th CPSU CONGRESS	
Zagladin Discusses Importance of Marxism-Leninism (pp 3-14) (V. Zagladin)	4
Economic Strategy of Development in 12th Five-Year Plan Noted (pp 15-27) (V. Kirichenko)	19
Issues of World Security, Arms Proposals Discussed (pp 28-39) (O. Bykov)	33
UN 40th Anniversary Session's Antinuclear Stance Supported (pp 40-47) (Yu. Tomilin)	47
Economic Causes, Phenomena in 'Crisis of Capitalism' Analyzed (pp 48-59) (E. Pletnev)	57
Role of Developing States in International Affairs Evaluated (pp 60-72) (G. Kim)	72
OUR COMMENTARY	
North European NATO States, United States 'Oppose' Nuclear-Free Zone (pp 73 (S. Morgachev)	3-75 80

Scientists of Pugwash Movement Call for Halt to 'Star Wars' (pp 75-77) (V. Ustinov)
SURVEYS, INFORMATION
The Capitalist Economy in 1985 (pp 78-97) (not translated)
Labor Productivity Changes in U.S. Manufacturing Industry (pp 98-101) (V. Petrov) (not translated)
French Capital in Africa (pp 102-108) (S. Belenchuk) (not translated)
POPULATION PROBLEMS
The Global Demographic Situation (pp 109-115) (I. Bestuzhev-Lada) (not translated)
DOMESTIC POLITICAL LIFE ABROAD
U.S. Politics' New Conservatism Seen as 'Social Revanchism' (pp 116-122) (Yu. Oleshchuk)
SOCIOLOGIST'S OPINION
Theory on 'Conservative Turn' in Capitalist Politics Refuted (pp 123-131) (G. Vaynshteyn)
SCIENTIFIC LIFE
New Trends in the State-Monopoly Capitalism of the 1980's (pp 132-141) (not translated)
WE ANSWER READERS' QUESTIONS
History and Present Day of Trinidad and Tobago (pp 142-145) (E. Belyy) (not translated)
BOOKS, AUTHORS
V. Pankov Review of V.S. Afanasyev's "Stages of the Development of Bourgeois Political Economy (Outline of Theory)" (pp 146-147) (not translated)
Book on International Military-Industrial Monopolies Reviewed (pp 148-149) (S. Kazennov)
N. Zaytsev Review of A.V. Bereznoy's "Transnational Corporations in the Markets of Developing Countries. Restrictive Business Practices" (pp 149-151) (not translated)

American Scholars' Work on U.S. Foreign Policy Assailed (pp 151-153) (Yu. Belokon)	114
Book Sees U.S. Foreign Policy Affected by Internal Factors (pp 153-154) (V. Avakov)	118
A. Shlikhter Review of Andrew J. Pierre's "Third World Instability. Central America as a European-American Issue" (pp 155-157) (not translated)	

PUBLICATION DATA

English title: : WORLD ECONOMY AND INTERNATIONAL RELATIONS No 3 Russian title : MIROVAYA EKONOMIKA I MEZHDUNARODNY OTNOSHENIYA Author (s) Editor (s) : Ya.S. Khavinson : Izdatelstvo TsK KPSS "Pravda" Publishing House Place of publication : Moscow Date of publication : March 1986 Signed to press : 12 Feb 1986 Copies : 27,000

: Izdatelstvo TsK KPSS "Pravda".

otnosheniya", 1986

"Mirovaya ekonomika i mezhdunarodnyye

COPYRIGHT:

ENGLISH SUMMARY OF MAJOR ARTICLES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 158-159

[Text] V. Zagladin in the article "The Grandeur of the Revolutionary Theory" answers the question what Marxism-Leninism has given to humanity, what attracts progressive forces to it, how this revolutionary theory has enabled humankind to perceive the laws of social development. The perspective, defined by the classics of Marxism-Leninism, has become the program of practical struggle of the masses for the progressive transformation of the life of society. It was Marxism-Leninism that equipped mankind with the basic ideas and slogans of the struggle for socialism, progress and peace. The article notes that the importance of the revolutionary theory is above all connected with the very nature of our epoch, with its unprecedented social development. Tremendous changes in the material and cultural life of society demand scientific apprehension without which one cannot correctly appreciate the needs of mankind as well as of man today and reflect them both in slogans and practical activity. The new, updated version of the CPSU Program and other Party political and theoretical documents, convincingly prove that the Communist Party of the USSR firmly and consistently follows the Leninist course.

V. Kirichenko in the article "The Strategy of Acceleration of Socio-Economic Development of the USSR" focuses on the decisions of the April 1985 Plenary Meeting of the CPSU Central Committee and the June meeting on scientific and technological progress which formulated and further elaborated the concept of accelerating the country's socio-economic development on the basis of this progress. Such concept is the result of a profound analysis of the situation, developed in the middle of the 1980's in the economy of the USSR and a quest for effective ways to further progress. The article points out that the concept of acceleration is the strategic line of the Party, geared at qualitatively transforming all aspects of life of Soviet society: radical renewal of its material and technological foundations on the basis of the achievements of the scientific and technological revolution, perfection of social relations, above all economic, profound changes in the content and character of labor in people's material and cultural conditions and an invigoration of the entire system of political, social and ideological institutions. The concept of acceleration is the economic strategy of the Party and state, the main idea of the Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000. The article notes that the need for the acceleration of the economic growth is also of international importance. Thus the task of acceleration, first of all, of social production has acquired paramount economic, social and political importance.

O. Bykov in the article "General Security -- an Imperative of the Time" holds that the pivotal problem of world security--the survival of humanity in the nuclear age--has been placed in the forefront of international life despite the complexity and contradictions of the present international relations. The mounting military threat has made this problem number one priority of world policy which dictates the need of broad, mutual foreign policy initiatives geared at the cardinal improvement of the entire world situation. A qualitative change in world affairs has become an imperative of the time. The provision of general world security demands that all states and peoples unite to avert the threat of the destruction of world civilization and even of the very life on the Earth. The article points out that the growing interdependence of interests of peoples in different fields of creative activity and stable peaceful relations of all states is an indispensable condition for the maximum utilization of vast opportunities, provided by the scientific and technological revolution for beneficial international cooperation from the expansion of trade, economic, scientific and other relations to the solution of the most urgent problems. The article states that a profound awareness of the realities of the nuclear space epoch is needed as is a readiness to act in a constructive way to ensure a dependable security for all.

Yu. Tomilin in the article "The Results of the 40th UN General Assembly Session and International Year of Peace" reminds that the 40th session adopted a resolution, proclaiming the year of 1986 an International year of peace, reflecting the hopes that this year will become a turning point in the development of world events. The article speaks about the importance of the wide range of measures proposed by the Soviet Union, which could not but tell on the work of the session. The problem, how to avert the threat of a nuclear holocaust which cannot but give rise to anxiety among the world community, was placed on the agenda of the session. Such a danger is increasing due to the American "star wars" plans. The article points to the need to prevent the extension of arms race to outer space. A realistic and responsible policy of all states is what is needed to rule out the very idea of a possible nuclear war. The session confirmed that the UN enjoys considerable authority as a forum, playing an important and unique role, being a center for airing the views of practically all states of the world, for seeking an optimal correlation of national and global interests for coordinating actions to achieve jointly set aims, the most pressing of which is the delivery of generations to come from the disaster of war.

The new updated version of the CPSU Program and other political and theoretical documents thoroughly evaluate the present epoch, the main external and internal conditions in which progress of the Soviet society towards communism is taking place. Among these most important factors is the deepening of the general crisis of capitalism. E. Pletnev in the article "The Economic Base of the General Crisis of Capitalism" states that this definition implies such inner process of capitalist development when the capitalist mode of production reaches its limits and at the same time the objective and subjective preconditions for a change over from capitalist production relations to socialist ones, ripen in its womb. With every passing stage of the general crisis of capitalism the economic and socio-political preconditions of socialism acquire an

ever greater degree of maturity. The conflict between the gigantically increased productive forces and capitalist relations of production is becoming ever more acute. The very nature of capitalism changes. Qualitatively is changing the role and scale of the state's participation in the production, investment, distribution and redistribution of the economy. As a result the capitalist state takes under its protection the selfish interests of the monopolies, enriching themselves at the expense of the arms race and the militarization of the economy. The author analyzes mass unemployment under capitalism, the growing inner stability of the economy with its cyclic and structural crises and the crisis of the monetary system. The article appreciates the role of the working class as the main revolutionary class of the present age.

The article "The Developing Countries in the World of Today" by (G. Kim) analyzes the role and place of the developing countries in the world today. The article shows that with the collapse of the colonial system, the young states which emerged as a result turned from objects of imperialist policy into subjects of world development. The article considers the process of the growing role of the developing countries today particularly in the world economy, and along with it the uneveness of this process. These countries, despite the positive changes in their development, remain economically backward and dependent on the world capitalist economy. This fact considerably predetermined the anti-imperialist struggle of the newly independent states. The article notes that in the 1970's a new stage began in the relations between the developing countries and imperialism. From isolated, uncoordinated actions these countries have gone over to a collective anti-imperialist action, raging from the demand of partial concessions to the struggle for the reshaping of the entire system of unequal world economic relations. The article considers the problems of the differentiation of the developing countries. Due consideration is given to the countries, orientated to the socialist perspective. The article focuses on the dialectics of the national and social in the present stage of the national liberation struggle, which is characterized by growing socio-class contradictions constituting the essence of today's revolutionary movement in the developing world. The countries of social orientation are an important constituent part of the world revolutionary process. The guarantee of the successes of the anti-imperialist struggle of peoples lies in the growing ties between the national-liberation movements and the world socialism.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

CSO: 1812/108-E

ZAGLADIN DISCUSSES IMPORTANCE OF MARXISM-LENINISM

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3 Mar 86 (signed to press 12 Feb 86) pp 3-14

[Article by V. Zagladin: "Grandeur of the Revolutionary Theory"--words between slantlines published in boldface]

[Text] The 20th century will occupy a truly prominent place in the history of mankind. The transition of mankind from thousands of years of domination of exploitative relations to a society free from exploitation and oppression began precisely in this century. The dreams of generations of working people finally began to turn into reality. The Great October Socialist Revolution represented a milestone of lasting significance.

The downfall of the colonial system, created through centuries, is an important part of the process of social transformations that characterize the 20th century. Dozens and dozens of countries have won freedom and independence and have embarked on the path of independent development.

Deep changes have also taken place in that part of the world where private property and exploitative relations are still dominant. The social structure of populations, too, has changed and continues to change and the workers class, which has numerically increased by absorbing new strata of working people, has grown to form the majority of the population. The communist movement, the only political force that offers a real alternative to the domination of capital, came into being at the beginning of the century and has effectively operated since then. Our century has witnessed a general crisis of capitalism.

The social revolution, the most profound revolution in history, has been combined with the most radical revolution of mankind's entire existence—the scientific—technological revolution. Science, technology, and production have all undergone the most profound changes. In other words, the 20th century has turned into a century of comprehensive revolutionary transformations of life. This is how it will also be recorded in the annals of progress.

I

Everything fundamental, progressive, and truly humane that has been and still will be accomplished in this century is indissolubly linked with the names of three titans of revolutionary thought and revolutionary action: K. Marx, F.

Engels, and V.I. Lenin. The fact that Marxism-Leninism has become the ideological banner of the 20th century is widely recognized and continues to be confirmed by ever new evidence. What has Marxism-Leninism given to mankind? What is it that attracts all truly healthy, innovative, and progressive forces to it? And what is in it that evokes such fear and such hatred among the opponents of social progress?

Mankind had traversed a long road prior to the appearance of Marxist theory. It was a road of progress, but only of progress under the effects of elemental forces. It goes without saying that the objective laws of historical development have always had their effect despite everything else. In the final analysis, it was these laws that pulled the wheels of history forward. However, for thousands of years people were not able to recognize these laws and to bring their practical activities into accord with their requirements. Marxism-Leninism has made mankind socially per eptive and has given it the opportunity to recognize the laws of social development.

K. Marx wrote in the "Theses on Feuerbach" that past philosophers have only given different /interpretations/ of the world." (Footnote 1) (K. Marx and F. Engels: "Works," Vol. 3, p 4) In fact, the striving to explain what is taking place has been inherent to manking since long ago and has agitated its best minds. And human thought has accumulated quite a few brilliant achievements in the course of history. However, only Marxism-Leninism has succeeded in accomplishing the task of understanding the world and recognizing the sources of its development.

The Marxist-Leninist teaching in its integral totality represents the supreme apex of science, and I do not use the term "science" accidentally in this connection. "... In Marxism there is nothing that would resemble any 'sectarianism' in the sense of an isolated and ossified teaching that has come about /apart/ from the main road of development of world civilization," (Footnote 2) (V.I. Lenin: "Complete Collected Works," Vol. 23, p 409) V.I. Lenin wrote. Marxism-Leninism has not only absorbed the major principled conclusions of social sciences, that is, philosophy, political economy, and history. It has enriched itself and continued to enrich itself with the achievements of other spheres of scientific knowledge. The discoveries of natural sciences (biology, physics, and chemistry), the achievements of technical sciences, and the progress of technology have been all thoroughly studied and analyzed from the viewpoint of the materialist dialectic. Precisely thanks to this fact, Marxist-Leninist theory has obtained a firm and extraordinarily reliable foundation. Precisely for this reason Marxism-Leninism has become a genuine revolutionary science and, at the same time, the revolutionary world outlook of the leading class, the workers class, and the banner of all forces of social progress.

Having been enabled by Marxism-Leninism to understand the essence of the contemporary period, man gained yet another advantage, that is, the ability to predict his future. And K. Marx, F. Engels, and V.I. Lenin also made history's first scientifically substantiated prognosis of the social development of mankind.

Examining social development as a natural historical process whose roots extend to the past and exist in the present, the founders of Marxism-Leninism saw the contradictions and antagonisms of the capitalist system as a source of movement and as a generator of the main direction of this process. It is precisely this

dialectical-materialist approach which made their prognosis of the inevitability of mankind's transition to socialism historically correct and turned it into a reliable platform for realizing mankind's eternal aspiration to freedom, peace, and happiness.

In working out the theoretical foundations of social development and proving the inevitability of the downfall of capitalism and its replacement by socialism, K. Marx and F. Engels strove from the very beginning of their activity to combine revolutionary theory with the practical movement of the masses and, first and foremost, of the entire proletariat.

Brilliantly continuing the theoretical and practical work begun by K. Marx and F. Engels, V.I. Lenin comprehensively developed all the component parts of Marxism, that is, the dialectical-materialist philosophy, political economy, and scientific communism. It was under his leadership that the revisionist distortions, characterizing the Second International at the beginning of the century, were overcome and the foundations of the contemporary communist movement were laid. V.I. Lenin led the workers class of Pussia in the assault against the old system. "The Great October Socialist Revolution became a turning point in world history and determined the general direction and main trends of world development. It started the irresistible process of replacement of capitalism by the new, communist socioeconomic formation," it is stated in the draft new edition of the CPSU Program.

II

In our period the ideas of scientific communism have become widespread on an unprecedentedly large scale.

The world socialist system has become the true bastion of Marxism-Leninism. The socialist society is a society that — is being built and is developing in the process of conscious activeness of the people who are inspired by the ideas of scientific communism. In the countries of socialism Marxism-Leninism is not only a tool of the struggle against capitalism, but also the theoretical foundation of building the new society and its practice. Socialism, which originally became reality in our country, has turned into a world system. The Marxist-Leninism theory of building the new society has been verified by practice on an international scale, socialism has asserted itself in enormous areas of the earth, and hundreds of millions of people are advancing along the road of building the communist civilization.

Socialism and the socialist way of life, based on social justice, collectivism, and comradely mutual assistance, represent the practical implementation of the ideas of Marxism-Leninism. This is a convincing and incontrovertible proof of its correctness and force and of its inexhaustible potential.

The sphere of influence of the ideas of our great revolutionary teaching continues to expand. Newer and newer people are renouncing their trust in capitalism, refusing to link the prospects of their development with it, and are seeking and discovering the roads to the socialist transformation of their countries.

The vanguard of the workers movement in the non-socialist world—the communist and workers parties—develop their activities by following the guidance of the scientific theory of social development, Marxism-Leninism, and pursue a principled class policy. They are distinguished by their conviction in the historical inevitability of the replacement of capitalism by socialism, their clear understanding of the objective laws of socialist revolution, no matter in what forms—peaceful or nonpeaceful—it may be carried out, and their ability to utilize the general principles of struggle for socialism under the specific conditions of each individual country.

Despite well-known difficulties and unsolved problems, the communist movement continues its progressive development. In the last quarter of century the numbers of communists have grown by half (and have nearly doubled in the non-socialist countries), which attests to a growing potential of the spreading of Marxist-Leninist ideas.

It is a characteristic fact that in the non-socialist part of the world these ideas are not spreading and asserting themselves only among communists. They are gaining increasingly wide understanding and support among different strata of the workers class. Their influence has made deep inroads among the intelligentsia and has an ever stronger impact on the youth and women's movements.

A peculiar phenomenon has been observed in many cases: The people who do not know Marxism-Leninism and are far removed from it by their origins and traditions, observe the reality of contemporary capitalism and gradually reach the conclusions that move them closer to the followers of the revolutionary world outlook. This is a graphic confirmation of the fact that Marxist-Leninist theory is a law-determined result of social development and a natural consequence of the recognition of the injustice of a social system that is becoming obsolete and of the need for fundamental social changes.

And there is yet another bit of important evidence of the widening sphere of influence of the ideas of scientific communism: many of the political and social slogans that have become the property of many millions of popular masses in our period have been put forward precisely by Marxists-Leninists and represent precisely the Marxist-Leninist generalization of the urgent demands of world development.

Thus, the slogan of peace, prevention of war, and ensuring peaceful coexistence of states with different social systems has become the motto of the struggle of the broadest circles of the world public. However, to be sure, the idea of peaceful coexistence was raised first by V.I. Lenin. The communists have precisely raised the banner of the struggle to avert a world nuclear war. This has now become the action platform of many millions of the members of the masses.

The same can also be said about the second motive force of contemporary social development, the struggle of peoples for their national liberation.

Marxism-Leninism has precisely extolled the idea of the national selfdetermination of peoples and of the revolutionary struggle for its implementation. The October Revolution initiated the process of this liberation and opened the era of national liberation revolutions. Thanks, first and foremost, to the activity of Soviet and socialist diplomacy, the right of nations to selfdetermination has been fixed by the UN Charter. Now this is the platform of the practical struggle of peoples of the former colonial world.

In its time the bourgeoisie appeared in the role of champion of human rights. However, at that time it defended its own rights in the struggle against feudal lords. It armed itself with the demands that essentially were not its own but belonged to the popular masses, the working people. In our period the great words "freedom, equality, and brotherhood" sound bitterly ironical when they are applied to the capitalist reality.

Marxism-Leninism put forward its own concept of human rights. And it not only put it forward, but it also began to implement it in October 1917. This is a concept that unites into one whole the ensuring of economic, social, political, and cultural human rights. It is a concept that maintains that the genuine fulfillment of these rights is only possible under the conditions of the social liberation of man from the pressure of exploitation.

Thus, Marxism-Leninism has precisely given mankind the basic ideas and slogans of the struggle for social progress and peace, the ideas that show the road to a happy future for peoples.

III

Now, at the crossroads of the 20th and 21st centuries, the relevance of the great revolutionary teaching and the need for Marxism-Leninism have increased more than ever before. With what is this connected?

It is connected, first and foremost, with the very essence of our era that is characterized by heretofore unprecedented rates of social development.

The grandiose changes in the material and social life of society require a profound scientific interpretation. The needs of contemporary man cannot be correctly understood and reflected in one's slogans and practical activity without such an interpretation.

The contemporary world is complicated, multifaceted, dynamic, permeated with antagonistic trends, and full of contradictions. It is a world of quite complicated alternatives, anxieties, and hopes.

Never before has man obtained so many tributes from nature but never before has man also been so vulnerable before the power that he himself has created. This contradiction manifests itself, first and foremost, in the gigantic danger that cannot be compared to anything in the past and which is engendered by the prospect of the possible unleashing of a nuclear missile war by imperialism. The greatest achievements of civilization can be used for its destruction.

The social changes of the century are altering the conditions of further social development. New economic and scientific-technological and new internal and international factors are coming into play. The yearning of peoples for independence and freedom is rapidly increasing and, at the same time, the mutual

interdependence of states and peoples, engendered by the internationalization of the economic and entire social life of contemporary mankind, is deepening.

The composition and nature of the forces participating in the struggle for social progress have changed and continue to change. On the one hand, the mass of people involved in the conscious creation of history is growing; on the other, the longer this mass is involved in this, the more it becomes more and more heterogenous and internally contradictory.

Our era is the era of socialist and national liberation revolutions, of collapse of colonialism, and of struggle of millions and millions of people for social and national liberation. And, finally, it is the era of the struggle of the main motive forces of social development against imperialism and its policy of aggression and oppression and for democracy and social progress. And in this connection the progress of this struggle requires a profound study of the processes and trends of development of all spheres of life of the nonsocialist world.

Among the thousands and thousands of tasks confronting contemporary mankind are a multitude of tasks the answers to which are still unknown at present. And the world continues to develop more and more impetuously. Every year, month, or day brings new, sharp turns in events and new urgent problems.

It is clear that what is involved are certainly not some problems of mere academic significance or content. What is involved in this connection are, first and foremost, the problems of revolutionary struggle, the problems that arise as a reflection of the constantly developing process of the deepening of social contradictions on a worldwide scale and of the growing possibilities for revolutionary actions.

This process is in progress everywhere, in all parts of the world and on all continents. New phenomena must be thoroughly analyzed and the essence of the situations that develop must be thoroughly understood, that is, correct answers for new questions of social development must be found to ensure that the possibilities for revolutionary struggle will be utilized in good time and in a proper manner.

If they want to be worthy of their name, the communists cannot and have no right to bypass acute problems that trouble the peoples. After all, the strength of communism has always lain in the fact that it answers the questions which no one else has been able to answer. However, it is only possible to find the correct answer with the assistance of a reliable scientific method that is based on a truly scientific world outlook and oriented to the scientifically substantiated prognosis of social development. It is Marxism-Leninism that provides the communists with the means to give the answers to any problems that arise. And the more rapidly history advances, the more new problems arise, the solution of which requires revolutionary boldness, and the more valuable becomes the great legacy of Marx, Engels, and Lenin. "The dialectic-materialist methodology has been and continues to be the fundamental, tried and tested basis of natural scientific and social studies. It should continue to be creatively developed and skillfully applied in research work," the draft new edition of the CPSU Program states.

The increased role and significance of the theory of Marxism-Leninism for the communist movement in our period is also connected with the sharp ideological struggle that has developed in the world arena and with the deepening antagonism between the force of the old and the new worlds, between socialism and capitalism. "Imperialism," the draft new edition of the CPSU Program points out, "is putting up bitter resistance to social progress, trying to stop the course of history, undermine the positions of socialism, and carry out a social revanche on a worldwide scale."

In this connection the leaders of the capitalist world are forced to take into account the fact that the might of world socialism and, first and foremost of our country, and the nature of contemporary weapons essentially exclude the possibility of a global "test of forces" with the society that is hateful to the capitalist world. Any attempt of this type would entail a general catastrophe. And for this reason the imperialist politicians take care to use "flexible" tactics. They use local wars, interventions, and conspiracies as their armaments. At the same time, experiencing serious shocks in its internal and external policies, imperialism—and, first and foremost, the American imperialism—directs, together with its adventures in the military—political sphere, more and more efforts toward the subversive political and ideological struggle against the socialist countries and the communist and entire democratic movement.

The methods used in this connection are very diverse. They include the efforts to discredit the Marxist-Leninist ideology and to cast slurs on the achievements of socialism by speculating with the real difficulties and problems in building the new society. They also include the attempts at sowing national discord between the countries of socialism and between individual detachments of the communist movement. They include the striving to influence the world outlook of individually weak, morally unstable, or politically immature people and to introduce petit bourgeois and openly bourgeois views and ideas into the ranks of fighters against imperialism.

It is clear that, in the opinion of all Marxist-Leninists, their most important duty under these conditions is to maintain high vigilance, unmask in good time the bourgeois ideology, and wage aggressive struggle against it. It goes without saying that ensuring further successes in the development of socialism is the best method of this struggle, and this is impossible without advancing the ideals of socialism and communism among the masses and without educating the communists and all working people in the spirit of our great teaching. A profound assimilation of the Marxist-Leninist theory and its propaganda represent a truly key task for all true communists.

Marxist-Leninists naturally are consistently critical of the bourgeois ideology. However, their criticism is decidedly distinct from the unsubstantiated negation that is characteristic of the attitude of bourgeois social science toward the conclusions of Marxism-Leninism. The works "Das Kapital," "Anti-Duering," and "Materialism and Empiric Criticism" are brilliant examples of genuine scientific criticism, a criticism that is connected with a positive study of new problems. This is a criticism made in the name of progress and of deepening scientific knowledge.

However, for the communists the ideological struggle is not limited only to the offensive against the positions of bourgeoisie and imperialist ideology and to rebuffing its undermining activities. Overcoming the influence of currents that are hostile to Marxism-Leninism within the workers movement itself is another important area of this struggle.

The social basis and the social composition of the communist movement are expanding, and this leads to the penetration of various right-wing and "leftist" views and ideas in the communist and workers environment. In recent years the communist movement has been, in fact, compelled to wage an active struggle on both fronts.

In the countries of developed capitalism the relatively long period of "peaceful" development and the relatively favorable economic situation in individual periods have led to a certain widening of the range of influence of reformist illusions among the workers class and have introduced a certain element of confusion in the awareness of its less experienced detachments. It goes without saying that bourgeois ideology promoted this situation with all its forces. Experience has shown that right-wing reformist views can also arise under the conditions in the liberated countries as a reflection of the illusions of class cooperation and as a result of a failure to understand the consequences of class stratification in these countries after having won their national independence.

At the same time, it is also impossible to underestimate the "left-wing" danger that often appears as a consequence of the petit bourgeois "revolutionariness."

"Being deeply aware of its historical responsibility to the world workers class and its communist vanguard," the draft new edition of the CPSU Program states, "the Communist Party of the Soviet Union will continue to uphold the revolutionary ideals and Marxist-Leninist fundamentals of the world communist movement..., consistently fight against dogmatism and revisionism, all influences of bourgeois ideology on the workers movement..."

IV

The growing need for scientific revolutionary theory can only be satisfied if this theory itself continues to constantly develop. Dogmatism and conservatism represent death for revolutionary theory and, consequently, also for revolutionary practice. And concerning those who turn the living Marxism into a collection of petrified orthodoxies, F. Engels wrote that they "will remain merely sects and, as Hegel says, will come from nothing through nothing to nothing." (Footnote 3) (K. Marx and F. Engels: "Works," Vol. 39, p 207)

Marxism-Leninism is a revolutionary theory, revolutionary world outlook, and revolutionary method and it places in the hands of the workers class and its allies a real weapon for the transformation of the world. However, this weapon must be maintained in a state of combat readiness, and this means that it is necessary to continue to sharpen and perfect it.

V.I. Lenin more than once recalled Marx' and Engels' words that their teaching is not a dogma but a guide to action. He demanded a constant creative development of that teaching in all its parts. Following K. Marx and F. Engels, V.I. Lenin

believed that critical spirit and critical approach both in reality and in theory are the prerequisites for a creative nature in Marxism.

True Marxism-Leninism always combines the merciless analysis of reality with the constructive search for ways to solve the problems that arise or these or those contradictions, and with the striving to find realistic and effective ways of progress.

As is known, in the seventies and at the beginning of the eighties, side by side with the unquestionably achieved successes, certain unfavorable trends and difficulties appeared in our country's development which were to a considerable extent connected with the fact that the changes in the economic situation and the need for profound changes in all spheres of life had not been appraised properly and in good time and that there was a lack of persistence in carrying out these changes. This situation obstructed the full utilization of potential opportunities and advantages of the socialist system and held back progress.

In the meantime, life went on. "And it is possible," M.S. Gorbachev said in his answers to the newspaper L'HUMANITE, "that the most difficult and the most necessary thing for every Soviet Communist and for the entire party is to fully and completely understand and feel the challenge that the period presents and to meet this challenge in a worthy manner."

The goal of decisively accelerating the society's socioeconomic and spiritual development, set by the April (1985) CPSU Central Committee Plenum, is a manifestation of the party's will and determination to carry out the transformations that have become ripe. This is a truly revolutionary task.

The party points out the clear ways of solving the problems that have arisen in this connection. The starting points of the proposed solutions are: demands of the development of productive forces, demands of the peoples, and demands of people to place on the agenda of current tasks the questions of very seriously restructuring and perfecting many aspects of production relations, of maintaining the steady correspondence of these relations with the dynamically developing productive forces, and of solving the nonantagonistic contradictions that arise between them.

It has been long since demonstrated by the Marxist-Leninist science that socialism creates the objective basis for a harmonious development of productive forces and production relations and for ensuring their stable correspondence. However, the notion, current at one time, that this correspondence allegedly develops spontaneously as a result of the nature itself of the socialist system was inaccurate. This, too, has been confirmed by practice. It is perfectly clear now that decisive measures on perfecting the socialist production relations are required to consolidate such a dynamic correspondence. Due attention must also be devoted to strengthening and multiplying the social ownership of the means of production and to perfecting the forms and methods of realizing the advantages and possibilities of the all-people's property and of the potential of the kolkhoz-cooperative sector of the economy.

The perfecting of distribution relations that have an active impact on the growth of collective and personal interest in the development of social production and

on the people's standard of living and way of life plays an important role. At the same time, the further development of exchange relations and more complete utilization of the commodity-monetary relations in conformity with the new content that is inherent in socialism are also of essential importance. What is involved in this connection is a matter of constantly perfecting the leadership in the national economy and the forms and methods of its management. All these problems have been formulated and analyzed in the draft new edition of the party program.

It goes without saying that a mere statement of tasks is not enough. What is needed is persistence in accomplishing them. The important prerequisites for this are, in particular, energetic and effective activity of planning and management organs, on the one hand, and the forming in labor collectives and in every individual worker of the proprietary feeling in relation to social property, ensuring their active participation in managing the production operations, and controlling the fulfillment of adopted decisions, on the other.

This is the path of harmonizing the productive forces and production relations in our country which has been outlined by the new edition of the program.

The problem of overcoming the contradiction between social existence and social awareness has been also thoroughly examined in the draft. Socialism has the potential of resolving the contradiction between them more effectively than any other social system. As a result of its antagonistic nature, the exploitative society essentially lacks this potential. However, under socialism, too, purposeful, energetic, and effective efforts are required to resolve the contradiction between existence and awareness.

This is all the more true in view of the fact that socialism is not created and built as some kind of a sum total of spontaneous development but as a result of conscious activity or people. Preparing the entire population for its conscious participation in building the new society with full understanding of the essence and nature of the tasks arising at every stage of its development naturally represents one of the most important aspects of communist construction.

In what has the contradiction between existence and awareness revealed itself in our period? This was frankly discussed by the October (1985) CPSU Central Committee Plenum. "We have come up against the problems..., caused by the fact that not all our cadres have rid themselves of inertia, of old models, and of their adherence to extensive economic operations," M.S. Gorbachev noted. "Not all of them have turned out to be psychologically ready for work under new conditions and for incorporating in the 12th 5-Year Plan a fundamental turn toward intensiveness and quality. It was necessary to overcome this attitude and to overcome it, as we say, in the process of work when the work on the guidelines was already in full swing." (Footnote 4) (M.S. Gorbachev: "Selected Speeches and Articles," Moscow, 1985, p 363)

Of course, the overcoming of contradictions of this type will depend in many respects on work in the sphere of the economy and its management. But, at the same time, what is involved is a matter of fundamental improvement of the style of party and state leadership. What is involved is a matter of enlisting increasingly broad strata of the people in the administration of social affairs,

of mobilizing their creative potential and experience in accomplishing increasingly complicated tasks; in other words, of developing and enriching our socialist democracy.

And what is absolutely involved in this connection is the ideological-educational work, for the new character is forged and the preparation of the people for work under new conditions is accomplished precisely in combination with the work process. None of the tasks confronting socialism can be solved without an activation of the human factor.

Marxist-Leninists combine the critical approach to reality, which is called upon to help transform this reality, with the recognition of the necessity of the constant development of Marxist-Leninist theory itself on the basis of the study and assimilation of the lessons of social practice. "One has to master the indisputable truth," V.I. Lenin wrote, "that the Marxist must take into account the living life, the accurate facts of /reality,/ and not cling to the theory of yesterday which, as every theory, at the best merely outlines what is basic and general and only /approaches/ an understanding of the complexity of life." (Footnote 5) (V.I. Lenin: "Complete Collected Works," Vol. 31, p 134)

Our period confronts Marxism-Leninism with new demands, and the CPSU strives to constantly take these demands into account and to creatively develop revolutionary theory. There are very many who talk about the development of Marxist theory. However, the question is how this development is to be understood. At times it is the attempts to distort Marxism-Leninism and to renounce these or those of its principled tenets that are presented by some as the "creative development" of Marxism. It goes without saying that the CPSU resolutely rejects this approach.

It was stressed at the October (1985) CPSU Central Committee Plenum that the question of continuity in the development of the theory and the program goals of the party is a question of its principled theoretical position, its consistency, and its loyalty to Marxism-Leninism. And consistency and continuity in theory invariably presuppose creative development and enrichment with principled propositions in conformity with historical experience.

The new edition of the CPSU Program includes important principled propositions that develop theory both as far as socialism itself and our society's further advance toward communism are concerned and as far as the questions of world development and its peculiarities and laws are concerned. As was pointed out at the October CPSU Central Committee Plenum, we now have a better notion of the ways of perfecting socialism and of attaining our program goal—communism.

It is now distinctly evident that the road to communism leads through the process of perfecting the developed socialist society that has been built in our country, that is, the society possessing its own economic basis that meets the requirements of socialism, the society that has at its disposal the necessary highly skilled cadres and is based on its sociopolitical unity that has been forged in the country, on the new social community that has come into being, that is, the Soviet people, and on the developed system of socialist democracy.

There is no and can be no sharp boundary between the two stages of the single unified formation of communism. It is impossible to directly move to the higher stage—communism—bypassing socialism and the necessary stages of its development. At the same time, it is incorrect to present socialism as an independent formation and to somehow separate it from communism. As experience has shown, any attempts to rush ahead and introduce the principles of communism without taking into account the level of material and spiritual maturity are doomed to failure. At the same time, any sluggishness in carrying out the transformations that have become ripe and in accomplishing the new tasks is also impermissible.

The third party program in its new edition is a program of the planned and comprehensive perfecting of socialism and of the further advancement of the Soviet society to communism on the basis of acceleration of the country's socioeconomic development. It is a program of struggle for peace and social progress.

Orienting itself to the communist ideal represents for the CPSU, as the party under whose leadership socialism has been built in our country, a most important ideological and political task. The problems which we face also cannot be solved now without this orientation. The CPSU follows in this plan the behest of V.I. Lenin, who urged that the final goal should always be kept in sight and stressed that it is necessary to consistently strive for its attainment and to measure one's every step precisely against this task of building the communist society.

VI [number as published]

The new important theoretical tenets of the party documents also concern the problems of world development.

First and foremost, the contemporary period is precisely characterized by taking into account the changes that have taken place in the international arena in the last quarter century. The draft new edition of the CPSU Program calls attention to its main features.

First, this is the period of transition from capitalism to socialism and communism and of historical competition between the two world sociapolitical systems. This formulation reflects the main feature of the period, and in this connection, the emphasis is placed precisely on competition between the two systems which presupposes their peaceful coexistence.

Second, this is the period of the struggle of the main active forces of social development—that is, world socialism, the communist and workers movement, the peoples of the liberated states, and the mass democratic movements—against imperialism against its policy of aggression and oppression, and for democracy and social progress. This description also characterizes the main aspects of the contemporary international class struggle with emphasis on its anti-imperialist nature.

Finally, it is pointed out that the constant growth of these forces and their interaction represent a guarantee that the hopes of peoples for a peaceful, free, and happy life will be turned into reality.

It has to be pointed out that the new edition of the program also ranks the mass democratic movements in the nonsocialist world among the main active forces of social development, along with world socialism, the workers movement, and the peoples of the liberated states. These movements have especially developed in recent decades and represent a real embodiment of the contradiction between the interests of monopolist capital and the interests of all mankind, between imperialism and the peoples of all continents, the contradiction that has become exceptionally deep on the international level. This situation provides the basis for uniting the opponents of imperialism on an international scale, irrespective of their class affiliations or their views and attitudes. The rise and stormy development of broad democratic and, first and foremost, antiwar movements is an expression of this process.

Despite all their diversity and their multifaceted nature, the general democratic movements of our period are objectively aimed against the policy of the reactionary circles of imperialism and, consequently, merge with the general current of struggle for peace and social progress.

The positions incorporated in the precongress documents concerning the ways of resolving the main contradiction of our period, the contradiction between socialism and capitalism, represent an important contribution to the further elaboration of Marxist-Leninist theory.

The nuclear age dictates new approaches and forms, new methods, and even new principles in mutual relations between different social systems, states, and regions. The changes are so deep and significant that they demand a new interpretation and comprehensive analysis of all factors that determine contemporary world development, and a search for ways for cooperation between states and ways for the development of the world as a whole.

The CPSU proceeds from the view that the existence of two opposite social systems in the world and their historical competition are an obvious and real fact from which no one can escape anywhere. "The Soviet Communists are convinced that the future belongs to socialism," the draft new edition of the program states. "Every people is worthy of living in a society which is free from social and national oppression, in a society of genuine equality and genuine democracy. It is the sovereign right of an oppressed and exploited people to free itself from exploitation and injustice. Revolutions are a law-determined result of social development, of class struggle in any given country." No one can say when and how this process will develop. In other words, the outcome of competition between the two systems will not be solved today. However, it is obvious that the existence of the two systems and their competition represent the starting reference point in the examination of any international problem.

The viewpoint according to which the contradiction between the two systems can be solved by war, by the use of force, is dangerous and unrealistic. There can be no victors in a nuclear war. Consequently, as it is pointed out in the new edition of the CPSU Program, in a world filled with acute contradictions and in the face of a threatening catastrophe, there is only one reasonable and acceptable way out, that is, peaceful coexistence of states with different social systems. There is no other alternative for this. The choice is only one: "We can survive or perish only together." (Footnote 6) (M.S. Gorbachev: aforementioned works, p 207)

However, the world of capital has not yet rid itself of the ideology of hegemonism, and its leaders still nourish hopes for social revanche and continue to entertain the illusions of superiority in force. This is why the most urgent task of our time is to outlaw nuclear weapons, to completely liquidate them as well as other means of mass destruction, and to purge international relations of the norms and traditions of past times. The large-scale considerations about the ways of ensuring the general security of peoples, as formulated by our party, are aimed precisely at attaining these goals.

Also to be taken into account is the fact that, despite its immense diversity, the contemporary world is linked together by a firm fabric of political, cultural, and other relations. Under these conditions the solving of the problem of war and peace inevitably presupposes the active cooperation of all states. The Soviet Union is fully ready for collective efforts to strengthen peace.

The policy of peaceful coexistence, as understood by the CPSU, presupposes: renunciation of war, the use of force, or the threat of force as the means of settling disputes, and the settlement of disputes through negotiations; noninterference in the internal affairs of one another and consideration for the legitimate interests of one another; the right of peoples to independently decide their fate; strict respect for the sovreignty and territorial integrity of states and the inviolability of their borders; cooperation on the basis of complete equality and mutual benefits; and conscientious fulfillment of the obligations emanating from the general recognized principles and norms of international law and from the international treaties that have been concluded.

At the same time, the new edition also provides the formulation of the essence of peaceful coexistence as a sociopolitical phenomenon and as a definite stage of development of international relations which should be consolidated as a result of a transitional period called detente. Peaceful coexistence is not merely the absence of wars; it is an international order in which good neighborliness and cooperation and not military force are dominant and in which broad exchanges of achievements of science and technology and cultural values are practiced for the benefit of all peoples. Delivery from the expenditure of enormous resources for military purposes would make it possible to use the fruits of labor exclusively for purposes of construction.

The draft new edition of the program provides a principled analysis of the global problems of world development which have become especially exacerbated in the second half of the 20th century and which are vitally important for all mankind. They are the problems the solution of which, with the collective efforts of all states, would only become possible under the conditions of peaceful coexistence. What is involved in this connection are the problems of protection of the environment; the energy, raw materials, food, and demographic problems; the problems of peaceful conquest of outer space and of resources of the world's oceans, of overcoming the economic lagging of many liberated countries, of liquidating dangerous diseases, and so forth.

"Today the peoples of the world," M.S. Gorbachev points out, "face a multitude of problems which can only be solved jointly and under indispensable conditions of peace.... Today mankind can solve these problems if it unites its forces and

intellect; then, new heights in the development of civilization will become accessible." (Footnote 7) ("The Soviet-American Meeting at the Highest Level. Geneva, 19-21 November 1985," Moscow, 1985, pp 73-74)

In defining in his time the tasks of Russian Marxists, V.I. Lenin pointed out the following as the most important and primary tasks: "a) [Greek letter alpha used] Theoretical defense and development of revolutionary Marxism. b) [Greek letter beta used] Participation in every way possible in the international ideological struggle." (Footnote 8) (V.I. Lenin: "Completed Collected Works," Vol. 7, p 388)

The 27th CPSU Congress will once again demonstrate: The party firmly and consistently follows the Leninist route.

Marxism-Leninism today is not merely a theory and not simply a theory. It is a theory transformed into practical deeds, first and foremost in the countries of the world socialist community. It is a theory that has united itself with the struggle of millions of popular masses. It is a mighty material force of a truly worldwide scale. It is a force that is constantly growing and enriching itself. It is a force that unites within itself the human intellect of centuries, the revolutionariness of the workers class, and the most advanced achievements of scientific thinking. Therefore, this force is invincible.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya," 1986

CSO: 1816/07a-F

ECONOMIC STRATEGY OF DEVELOPMENT IN 12TH FIVE-YEAR PLAN NOTED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 15-27

[Article by V. Kirichenko: "The Strategy of Accelerating the Socioeconomic Development of the USSR"]

[Text] The April 1986 CPSU Central Committee Plenum trought forward the concept of accelerating the socioeconomic development of the USSR, and the June 1985 plenum further elaborated it. The concept was a result of a profound analysis of the situation which emerged in the USSR economy in the mideighties and of an energetic search for effective ways to achieve further progress.

"The CPSU considers," the draft new edition of the CPSU program notes, "that, under the present domestic and international conditions, the many sided progress of Soviet society, its forward movement toward communism can and should be ensured through accelerating the country's socioeconomic development /(words between slantlines published in boldface)). This is the party's strategic line, aimed at the qualitative transformation of all aspects of Soviet society's life: at the fundamental renewal of its material-technical base on the basis of the achievements of the scientific-technological revolution; at improvements in social, and primarily economic, relations; at deep changes in the substance and character of labor, in the material and spiritual living standards of people; and at invigorating the entire system of political, social, and ideological institutions."

The concept of accelerating has become a base for the party's and state's economic strategy, the leading idea of the main guidelines for the economic and social development of the USSR in the 12th 5-year period and up to the year 2000.

T

Why did the party bring the development issue to the fore under the present conditions? What is the essence of this concept, how is it substantiated, and what are the ways to put it into effect? High dynamism has always been inherent in the Soviet economy. In the period since 1950, national income has risen nearly 10 times, while that of developed capitalist countries has risen only 3.6 times. This advantage has also been preserved in recent years: in 1981-84, the pace of growth in the USSR's national income was 1.7 times faster.

However, in individual periods the pace of economic growth slowed down. So, in 1961-65 the average annual rates of increasing national income approximately amounted to 0.6 percent of the corresponding index of the preceding 5-year period. This trend was checked in the eighth 5-year period. Compared with the early sixties, in 1966-70 the average annual growth rates rose 1.26 times. General economic proportions became more harmonious: whereas in the seventh 5-year period (1961-66) the increase of the accumulation fund in the national income exceeded that of consumption 1.37 times and the production increase in the group "a" industry was more than 1.6 times higher than that in the group "b" industry, in the eighth 5-year period these ratios sank to 1.04 and 1.03 respectively.

How did this happen? In the eighth 5-year period the number of personnel, particularly in industry and construction, grew somewhat faster. At the same time, the rates of increase of fixed assets put into operation and the general volume of fixed assets decreased 35 percent. The increase of capital investments in the nonproduction sphere accelerated more than twofold, while that in the production sphere remained stable.

The only way to accelerate economic growth in 1966-70 and, at the same time, to somewhat reduce the dynamics of fixed assets was to improve the effectiveness of communal production. This was precisely the main condition for the dynamism of the economy: the pace of increasing labor productivity hastened, particularly in industry and communal agriculture; returns from investments stabilized; the rates of circulating capital turnover in industry increased; and material consumption in the national economy somewhat decreased.

Favorable weather conditions to a large extent helped increase the output of agricultural produce. The pace at which this production was growing in the eighth 5-year period was the fastest in the last quarter of the century. But natural factors were not the only ones that mattered. This was the first 5-year period in which the party's and state's agrarian policy, adopted at the May 1965 CPSU Central Committee Plenum, was actively implemented. Positive results were also produced by the measures taken in industry to improve management, to promote economic accountancy, to expand the independence of enterprises and to strengthen them economically by increasing the volume and share of capital for independent economic use, that is, measures which have been called the economic reform.

Of course, that period also had its difficulties. The positive impulses which emerged proved to be short-lived, and some trands that surfaced later negatively affected the economy. So, for example, fixed assets were put into operation significantly slower than capital was invested; as a result of this, the value of incomplete construction rose, while the pace of increasing labor productivity in construction slowed down.

On the whole, however, the experience of that period made it obvious that it was possible in a short time to mobilize unutilized reserves, to raise effectiveness, and, as a result, to accelerate economic and social development.

In the 5-year periods that followed, the rate of economic growth were declining, and in the 10th 5-year period (1976-80) the absolute increase in the national income was smaller than in the ninth. This resulted from the effect of objective

and subjective factors. First of all, in the second half of the seventies the supply of resources employed in production (workforce, capital investments, fixed assets, fuel) became more restricted. As is known, to further increase the extraction of primary raw materials and fuel, ever bigger capital investments are needed. At the end of the seventies, expenditures on fuel extraction were twice as high as in the early seventies, and the share of outlays on iron ore extraction rose three times since the midsixties. These objective factors restrict the possibility of maintaining the rates necessary in economic growth.

Having admitted that, one has at the same time to take into account changes in the effectiveness of utilizing resources. The calculations show that if in the seventies effectiveness was kept at the 1966-70 level (the eighth 5-year period), the average annual rates of increasing the national income in 1971-75--with the actual dynamics of funds and the actual number of those employed--could have been 2.2 percent and in the 10th 5-year period, 2.8 points higher. In this way, the changes which took place in that period in the dynamics of the national income resulted not as much from the decreased dynamics of the basic production factors as from the changes in effectiveness indexes and in the role of intensive factors in economic growth.

What affected the effectiveness of communal production? A substantial factor detaining the growth rates and production effectiveness lay in the structural policy necessary at a certain stage in the distribution of resources (above all, capital investments). So, beginning from the 7th and up to the 10th 5-year periods, the share of agriculture in capital investments significantly rose; whereas before it amounted to 29.9 percent of the general volume of production capital investments, in the 10th 5-year period it went up to 36.3 percent. Taking into account capital investments in the branches which supply the agroindustrial complex with production means, this share was evaluated at 45 percent.

As of the 10th 5-year period, a similar process began in the fuel and energy branches. In 1980, their share in production capital investments increased more than 2 percentage points (from 13.2 to 15.5 percent), and the volume of capital investments increased 1.4 times. This process also continued in the succeeding years: in 1984, the share of the fuel and energy complex in production capital investments rose to 17.5 percent.

The social and production need for such a structural policy was objectively conditioned. A high development level of the agro-industrial and the fuel and energy complexes is an important condition for the successful functioning and further progress of the entire economy. But, from the purely economic point of view, the fact that the share of the aforesaid sectors in the distribution of reproduction resources (primarily capital investments) increased quickly and substantially, signified that they shifted to the spheres with a relatively high and growing capital intensiveness. For this reason the capital intensiveness of the entire communal production increased, while the other conditions remained equal. One of its effects was the unfavorable influence on the dynamics of national economic results and effectiveness.

The high concentration of reproduction resources in capital intensive production sectors restricted the possibilities of distributing them among other national economic branches. In particular, it hampered the development of those kinds of

production which are less capital intensive but of decisive importance for raising labor productivity and for the thrifty utilization of raw materials and energy. So, the substantial chances in the distribution structure of capital investments only minimally affected the share of machine building and in the first years of the present decade even reduced it. The need for capital investments necessary for a dynamic and well proportioned development of other branches and kinds of production was growing and was not met. In a number of economic sectors, imbalance was growing (primarily between the growing scope of construction carried out simultaneously and capital investments resources, on the one hand, and the capacities of construction and assembly organizations, on the other; between the capacities of processing industries and their raw material supplies, and so forth). This imbalance turned into a substantial factor hindering the efforts to make more effective use of resources.

Last but not least, there was one more inevitable and negative effect of the increased general capital intensiveness of production: it restricted the increase of investment resources and the possibilities of raising the amounts and rates of capital investments. Whereas from the midsixties to the midseventies the volume of capital investments rose more than 1.4 times in each 5-year period, in the following two 5-year periods it increased less than 1.3 and 1.2 times, respectively. The curbed growth of capital investments was meant to keep down intensity emerging in the national economy and primarily in the investment sphere and to improve balance in the economy. When the other conditions remain equal, the reduced dynamism of capital investments inevitably brings down the dynamism of the final national economic results.

What can oppose the negative effect of these objective circumstances? Only an increased production effectiveness, consistency in intensifying the utilization of each unit of production resources, a stricter policy of economy, the acceleration of scientific-technological progress, better adjusted proportions, and a production restructured as much as possible can do this. In the economic and organizational-management plane, the line aimed at effectiveness was not adequately ensured.

In analyzing the difficulties which made themselves felt from the early seventies, in his report at the conference held in the CPSU Central Committee headquarters on the issues of accelerating scientific-technological progress (June 1985) M.S. Gorbachev, CPSU Central Committee general secretary, emphasized: "The main cause—and it was with full determination noted at the April Central Committee Plenum—consisted in the fact that no due account was made of the radically changed economic situation and no necessary persistence was displayed in restructuring the management policy, forms, methods, and the very psychology of economic activity. Talk about shifting the center of gravity to the intensive factors of economic growth continued for many years, but the measures taken were half-hearted and inconsistent and were implemented only halfway. As a result of this, the economy, by inertia, continued to develop primarily on the extensive basis."

II

Under these circumstances the party brought forward, as the key question of economic policy, accelerated economic and social development. This is essential

to implement a large-scale and long-term social program: to improve food supplies to the population, to increase the manufacture of goods and services for the people, and to develop all elements of the nonproduction sphere of the national economy (education, health services, culture, housing, and municipal services).

Accelerated economic growth—including the growing volumes of resources for capital investments—is also essential to implement large—scale measures to modernize and reconstruct the existing production units and to organize new kinds of production dictated by the scientific—technological revolution.

The need to accelerate economic growth has an international aspect. The Soviet Union has been forced to invest significant resources in defense. Moreover, it is also essential to hasten the pace of economic growth in order to improve our positions in the peaceful economic competition with developed capitalist states and to strengthen our economic independence. In this way, under the present conditions, the task of rapidly and primarily developing communal production has acquired paramount economic, social, and political importance.

To hasten economic development is the main task of the 12th 5-year period, and in this respect the current period should mark a turning point. The main guidelines for the economic and social development of the USSR in 1986-90 call for the hastening, compared with the 11th 5-year period, of growth of national income, of industrial and agricultural production, of commodity turnover, and of real percapita incomes, and by the year 2000 the volume of the national income has to double. One of the tasks set for the 12th 5-year period is to provide conditions necessary to stabilize and strengthen the trend toward hastening economic growth. For this purpose the share of accumulation in the national income will somewhat increase and capital investments will grow faster.

In this way the growing economic dynamism will be reflected in the accelerated growth of production volumes. But, under the present conditions, this is not the only requirement of the concept of acceleration and not the only form reflecting the dynamism of the economic system. The latter is manifested in its internal restructuring and in a better adaptation to social needs and to their satisfaction by means of improving the quality and reliability of goods and of putting into production their new and more advanced kinds.

Under the conditions of accelerating scientific-technological progress such a structural dynamism of the economic system is increasingly important and, in a definite situation, highly important. Deep structural changes in the stock of production and in the range of manufactured products have been provided for the 12th 5-year period and up to the year 2000. Two mainlines of structural changes are to be noted in production: 1--branches which accelerate scientific-technological progress the most will develop at priority rates and their share in production will go up; 2--all branches will develop at priority rates the output of advanced kinds of products that are economical in production and consumption and will more rapidly renew the choice of manufactured goods. In other words priority will be given to the output of production which takes less resources and is better in quality.

In the new 5-year period the most remarkable structural change is emphasis on the development of machine building. Its production will grow at a rate 1.9 times higher than industrial production as a whole. In machine building itself priorities have been given to lathe construction, the production of computing equipment, tool construction, electroengineering, and electronics. Their production will increase 1.3-1.6 times more than machine building production as a whole, and that of computing equipment 2.5-2.9 times more. The share of capital investments in machine building will increase. So, the investment increases planned for 1986 in machine building are 3.9 times higher, those in tool construction 6.7 times higher, and those in lathe construction 5.1 times higher than the average. In the new 5-year period all capital investments in machine building will rise 1.8 times.

Priority has been given to machine building branches which are particularly important for renewing its own material-technical base. This will make it possible to renew each year 10-12 percent of the branch's fixed assets, or more than in industry as a whole.

Also, the range of manufactured production will renew rapidly and tehre quality will improve. By 1990 the sahre of production mastered for the first time in Soviet machine building sectors it will increase 4-5 times. New machines and equipment will be 1.5-2 times more productive and reliable than those built now. Provisions have been made to apply both in machine building and in other branches resource saving technologies and new materials and to improve the design of articles. As a result of all these measures, the proportional metal intensiveness of machines and equipment will go down 12-18 percent and their proportional energy intensiveness 7-12 percent.

The structure of the fuel and energy complex will change. The overall amount of extracted fuel will increase, but less than in the previous 5-year periods. However, the share of the fuel and energy complex in capital investments will go up. This is primarily a consequence of the capital intensiveness of fuel extraction and transportation, which will increase because of the deteriorating mining and geological conditions in the extracting branches and of the growing distances from the areas of fuel extraction to the major centers of its consumption. The growing capital intensiveness of the fuel and energy complex adversely effects the indexes of production effectiveness as a whole.

The structure of the fuel balance will change in favor of natural gas. In the l1th 5-year period the USSR achieved first place in the world in gas extraction. In the 12th 5-year period gas extraction will increase at high rates and will reach a level of 835-850 billion cubic meters. In the future increasingly more attention will be paid to the promotion of open-cut coal mining.

In electric energy production the role of atomic power stations in the European part of the USSR will increase. Their present share in electric energy production amounts to one-tenth; by 1990 it will double. In the country's eastern part its production will increasingly concentrate on big thermal electric power stations using cheap coal from the ekibastuz and the kansk.achinsk basins.

In the production of structural materials high development rates will be given to plastics. But metals will continue to be the main structural material. The

volume of rolled ferrous metal stock will increase at relatively low rates. The manufacture of high-quality articles, economical and consumption, will steeply increase at very fast rates. This applies to rolled stock thermally treated for strength, this sheets, cold rolled steel strips, and so forth. The assortment of rolled stock will be renewed: in the 5-year period 100 new economical sections are to be put into production annually.

All branches supplying structural materials have been adapted to the active adoption of resource and energy saving technologies. So, a wide application of the oxygen-convertor method of steel smelting, of oxygen blowing in martin furnaces, of metal scrap in the charge, and other technological improvements will make it possible in the 12th 5-year period to raise the output of steel and ready rolled stock without increasing the production of iron ore, pig iron, and coke.

A real acceleration of economic growth implies an increase not simply in the volumes of production in general, but above all in the final national economic results. What we have in mind is the part of production which meets final social needs and is intended for the needs of the nonproduction consumption of each individual and of society as a whole, and for production consumption, to replace withdrawn means of labor and to accumulate fixed assets and circulating capital. The line taken in the 12th 5-year period on the fast paced growth of final results will be manifested, in particular, in the fact that the processing branches of industry will increase their production at higher rates (25-28 percent) than the fuel and raw material branches (11-13 percent) and that the production of consumer goods, investment equipment, and construction goods will grow faster than that of labor articles and fuel.

The priority growth of the final result of production is an important qualitative feature of accelerating economic growth. It is truly rational when the costs of increasing production are outweighed by the growing social usefulness of each kopeck spent on it. So, the costs of increasing fixed production assets should be outweighed by their production capacity. But as long as many capacities in our economy grow slower than the costs of the corresponding fixed assets, the per-unit costs of capacities will increase.

It is not rational to increase capital investments when capital construction is conducted in such a way that there are arrears in commissioning fixed assets while the volume of incomplete construction grows fast. The final effect of production declines in exactly the same way when some products lay in the heaps of unsold surpluses. A turning point must also be achieved in this respect, because in the 11th 5-year period the relation between the dynamism of production and the growing stocks of commodities and materials was unfavorable: the latter grew faster than production. To increase the final effect, in many cases it is advisable not to increase the volume of production, but to reduce losses by keeping products in safe conditions, by remaking them on time and effectively, and by their delivery to the sphere of consumption.

The accelerated growth of the final effect of production is a problem of principled importance both for the theoretical characterization of an accelerated economic growth and for practical purposes. To successfully settle this problem it is essential to distribute the products obtained in an efficient way, to curb or fully eliminate unproductive losses, and to take reliable precautions against the inflationary processes.

For this reason the present formulation of the task of acceleration proceeds from the point that the objective of all sectors of the economy should be not to increase the quantitative indexes, but to improve the final effect of production; and that production volumes should rise in line with the real social needs for products of a definite kind and quality. Moreover, it is essential to improve the real substance and qualitative properties of each percent in the quantitative indexes of production.

In this way, the idea of the dynamism of the economic system, inherent in the concept of accelerating development, is complex and manysided. And it is a matter of principled importance to build the dynamism of the national economy on a qualitatively new--compared with the past stages--basis: on the basis of a more effective utilization of resources, of switching over the economy to the track of intensive development.

III

What are the peculiar features of the present stage of intensification? First of all, there is the fact that all national economic branches and spheres and all big regions of the country have now been confronted with the immediate practical task of deepening this process.

The present and future tasks with regard to the quantitative measure of the process of intensification are to be posed in a new way. Certain results on this path have already been achieved in the past. But judging from the share of intensification factors achieved before the eighties in increasing the final national economic results (the national income), one can say that this process is at the stage of development. The larger part of this increase was still obtained by means of increasing outlays; only its smaller part resulted from a more intensive utilization of resources. For this reason the line taken on intensification will be in the center of economic policy for the immediate 5-year periods; as a result of its consistent pursuit, the economy should fully shift to the tracks of intensification. A radical turn is to be made in the 12th 5-year period.

In this period, the effects of production will increase more than the basic kinds of primary resources: raw materials, fuel, and structural materials. For the first time in the practice of planning provisions have been made to raise production without increasing the number of those engaged in material production, that is, fully by hastening the growth of labor productivity.

The estimates show that by the year 2000 the share of intensive factors in the growth rates of the national income may double. Their share in increasing the national income will be predominant and transition will be made to be a principally intensive type of reproduction.

The point is to change--compared with the past--the character of this process. Before the eighties, periods in which the share of intensive factors in the increasing of national income was growing alternated with periods in which it significantly declined. It was so in the 9th and the 10th 5-year periods compared with the 8th 5-year period. Now it is essential to stabilize the

process of intensification and to constantly deepen it by steadily increasing the share of intensive factors in increasing national income.

A very important positive trend emerged in the final years of the 11th 5-year period: the final effects of production were growing faster than the total of expenditures made. The share of intensification factors in increasing national income began to rise. Although not as much as to remedy the effects of the shrinking supplies of workforce and fixed production assets. And in the future, intensification is called upon not only to compensate for the declined dynamism of the basic production factors, but also to become a means to hasten economic growth as a whole.

What complicates the problem in a longer run is the fact that the main lever of intensification effective now is the relative reduction of the labor, material, and energy intensiveness of the final production effect, but capital intensiveness continues to grow (in 1981-84 national income rose 15.5 percent and the value of fixed production assets went up by 29.4 percent). To bring it down, reserves have to be used in all production branches, but at the present stage and in the immediate future this will largely depend on the progress made in saving materials, fuel, and energy and on decreasing the relative need for them, because the branches supplying them are the most capital intensive. In addition to the accelerated reduction of labor and material intensiveness, in the future it will be essential, to start with, to stabilize and then to reduce capital intensiveness.

Thus, transition to the path of intensive development implies qualitative changes in the character of utilizing resources involved in economic turnover. Resource saving and wastefree technologies are to be applied everywhere. "Saved resources," the draft new edition of the CPSU program says, "will be the main source to meet the growing needs of the national economy for fuel, energy, raw, and other materials." The task set for a longer term is to satisfy 75-80 percent of the increase in the national economic needs for fuel, raw, and other material by means of saving them.

The experience shows that it is 2-3 times charger to make thrifty use of fuel and raw materials by widely applying resource saving technologies than to raise their extraction on the nationwide scale. The task set for the year 2000 is to reduce the energy intensiveness of the national income at least 40 percent and the metal intensiveness nearly 50 percent. All these tasks are intense, but without accomplishing them it is impossible to achieve the quantitative targets set under the main guidelines both for the 12th 5-year period and for the time up to the year 2000.

Our country has launched the process of intensification at the time when individual national economic spheres still have not fully switched over to an industrial basis and when it is impossible to manage without additional fuel and raw material resources. This calls for constantly growing outlays. The needs for capital investments are particularly high. In agriculture, in the infrastructure, and in a number of branches and types of industrial production which are relatively backward in technical equipment, the task of accumulating production capital has not been accomplished to the end. Significant investments are also still needed in the relatively capital intensive branches of the fuel and energy complex.

A high level of investment activity in the future is also stipulated by the need for a large-scale new construction. This is essential primarily for new production branches and sectors in which the achievements of scientific-technological progress are concentrated and for the infrastructure, particularly for its facilities which preserve manufactured production as well as accumulate, store, process, and relay information. New construction is also needed because of the changes in the territorial structure of production, particularly because of the displacement of capacities for fuel extraction to the east and because additional workplaces are essential in regions with a surplus labor force.

Big capital investments are essential to raise the technical standards of the existing production and to improve working conditions. What must increase first of all is the amount and share of capital investments assigned to replace fixed assets withdrawn from operation.

For this reason, in determining the peculiarities and tasks of the intensification process, one has to keep in mind that, in the immediate future, the process of expanded reproduction will go in step with the raising of the effectiveness of resource utilization and with the involvement of additional resources in economic turnover (although at significantly lower rates).

What are the means of the comprehensive intensification of communal production? These are the technical and technological renewal of production, improvements in the standards of its organization, and, on the basis of them, in the utilization of the production potential. The task set for the 12th 5-year period is to renew more than one-third of the active part of fixed assets and to double the volume of withdrawing and replacing obsolete production assets. The share of capital investments allocated for technical reequipment will amount to 50 percent against the 35 percent in 1981-85. These measures will make it possible to make progress in all-round mechanization, to double the level of production automation, and to expand the application of advanced basis technologies 1.5-2 times.

The reconstructed technical and technological bases of production open the path to a significant increase in its effectiveness and to a radical improvement in the quality of products. The application of continuous steel pouring on the scales fixed for the year 2000 will result in many millions of tons of metal being saved. Powder metallurgy is capable of raising the metal utilization factor 2-5 times.

Atomic electric power stations equipped with 1-1.5 million kilowatt reactors will save 330,000 tons of conventional fuel per each 1 billion kilowatt hours of electric energy produced machine tools with digital program control will make it possible to raise labor productivity in serial machine building production 2-2.5 times; in operations performed with the application of flexible production modules and systems labor productivity will rise 2.5-5 times and on automatic multi-tool lines with exchangeable tools, 10 or more times.

In practice it is important to optimally combine advanced kinds of equipment and technologies which are already in use with models which are new in principle. For the sake of better things one must not forget the good things as long as they have not exhausted their potentialities and one must not restrain the striving

for the better. But one has to seriously prepare for applying these better things, to comprehensively provide all conditions necessary (production organization, cadres, technical and repair services) to make the most up-to-date equipment and technology maximately effective.

A decisive factor of improving the social organization of labor and an important task in this field lie in the specialization of production and in its combining on the basis of the all-round utilization of raw and other materials, a utilization in a number of cases brought to full wastelessness.

Deepened specialization--particularly its effective forms in accordance with the component parts and assemblies in production or technologies in operation, as well as the specialization of auxiliary production and services--provide a base for further developing modern technologies, improving the structure of the machine and equipment fleet, expanding automation, and making fuller and more effective use of the production apparatus and work forces.

In this way the application of technical and technological novelties, sometimes very expensive, has to be supplemented with effective measures to improve production organization, measures objectively dictated by the novelties applied and indispensable for the full utilization of their possibilities to raise the effectiveness of production and labor productivity and to save resources.

Intensified cooperation with CEMA member countries in settling important scientific and technological problems will be a substantial characteristic feature of the works performed to accelerate scientific-technological progress. At the 41st (extraordinary) CEMA session in December 1985, the member countries adopted an integrated program for scientific-technological progress up to the year 2000. It has fixed the agreements reached on coordinated actions aimed at developing and using new kinds of equipment and technologies by means of concentrating efforts and tightening cooperation within the CEMA framework along the following priority lines: the electronization of the national economy, all-round automation, atomic electricity production, new materials and technologies for their production and processing, and biotechnology. These lies have provided the groundwork for working out and pursuing a coordinated scientific-technological policy.

Developed into a system of mutually coordinated agreements and treaties, this program will provide a base for scientific-technological cooperation within the CEMA network and will help further deepen and perfect cooperation and socialist economic integration; foster specialization and cooperation in the fields of science, technology, and production and hasten the growth of foreign trade.

About 700 scientific organizations in the socialist countries will participate in investigations and elaborations provided for in the program. Great organizational work and various new forms of cooperation are needed to coordinate activities and to hasten the application of the results of elaborations. In this connection it is important to emphasize that the elaboration of more than a half of the 92 problems included into the ingrated program should within the next 3 years result in the putting into production of samples of new products and technologies.

In the Soviet Union the CPSU Central Committee and Council of Ministers adopted a special decision aimed at carrying out all obligations undertaken by the country under the integrated program.

The materialization of a project as grandiose as the technical reconstruction of the national economy's material and production base presents increased requirements to the organization and effectiveness of investment activity. First of all, its scales will increase, and so will the rates of increasing capital investments. In the 12th 5-year period their volume will raise 18-21 percent, and in the time up to the year 2000 this volume will exceed the total invested previously under Soviet rule. This can be rational only under the condition that resources will be concentrated on the leading fields of the technical and technological perfection of communal production, that the structure of this production will change, that as early as in the first decade of the period under review the construction and reconstruction of facilities will be hastened 1.5-2 times, and that emphasis will be put on the reconstruction and reequipment of the existing enterprises.

Rationalization in the field of capital construction is a condition essential for intensifying production and particularly for increasing the effectiveness of investment activity in the country.

IV

The concept of accelerating the development of the national economy is also peculiar for the reason that—in addition to the expanded scales of restructuring in the national economy and of capital investments in the qualitative transformation of productive forces—it calls for implementing a great social program.

The accentuated social bent of communal production will be manifested, in particular, in the production of consumer goods (Group "B"), which will grow faster than that of production means (Group "A"). While the consumption part in the national income will increase 19-22 percent, the volume of production in the food, meat, and dairy branches will rise 18-20 percent; the production of non-foodstuffs 1.3 times as a minimum; and the volume of payable services to the population 1.3-1.4 times. Particularly high rates will be given to the production development of household appliances; radio receivers 1.3-1.4 times, color television sets 1.6 times, and household chemical products 1.4-1.6 times. The output of garden sheds will double.

The consolidated material base of the people's consumption has made it possible to further raise the population's cash incomes: the wages and salaries of the workers and employees will go up 13-15 percent and the incomes of the kolkhoz peasants from communal farming 18-20 percent. The line on the fast paced growth rates of incomes received by rural toilers has been pursued for a number of the perceding 5-year periods. Taking into account benefits received from subsidiary private farms, in the 12th 5-year period the incomes of the kolkhoz peasants will practically reach the level of the workers and employees. This will be a great achievement of the social policy implemented in the country.

Particular efforts will be made to better balance cash incomes with the supply of commodities and services. The volumes of commodity turnover (an increase of

18-22 percent) and payable services to the population (an increase of 30-40 percent) will rise faster than in the 11th 5-year period and faster than the basic kinds of cash incomes.

A source for satisfying the needs of the population as specific for the socialist countries as social consumption funds will grow faster than in the 11th 5-year period. This applies to funds assigned by the Soviet state for the development of free education, health services, subsidies to the prices and fees of some kinds of commodities and services, provision for disabled members of society (pensions) and of the younger generation (subsidies to preschool establishments and scholarships for students), and some other payments and social allowances.

About one-third of all material goods consumed by the population are paid for out of public funds. The present payments and allowances drawn from these funds for a family of 4 amount to R2,120 annually, and their share in the cash incomes of an average workers family has reached 10 percent. They cover up to 80 percent of the expenses for children's education and maintenance in preschool establishments. In this way social consumption funds in the USSR are a very substantial factor of prosperity. In the 12th 5-year period they will rise 20-23 percent.

The qualitative transformation of productive forces implies not only the accomplishment of important technical and economic tasks, and primarily a cardinal increase in labor productivity, but also the achievement of an important social effect. Its essence is changing everywhere the conditions and nature of labor and filling it with a creative content. Provisions have been made, up to the year 2000, to reduce by 15-20 percent the share of the manual labor in the production sphere, to eliminate hard phsyical work, and to substantially reduce the sphere of harmful or monotonous work. The scales of the plans for changing labor conditions in the country are unprecedentedly large. The country will reach a qualitative higher level in accomplishing programmatic social tasks such as turning agrarian labor into a variety of industrial labor and reducing differences between intellectual and physical work.

An immediate objective of the social policy pursued by the Soviet state is to ever fuller meet the growing material and spiritual needs of the people. But its measures also affect the development of production and production effectiveness by boosting the labor and social activity of the Soviet people. The all-round consolidation of the human factor is a powerful means of raising the technical, economic, and organizational standards of production and of intensifying it. At the same time it is a basic condition for the all-round development of the personality, for fostering civil maturity, and for the full realization of social functions and demands.

From the viewpoint of raising the Soviet people's activity, the main objective of social policy is toboost in every way the prestige and public acknowledgement of highly productive and highly qualified labor and its moral and material motivation. This should be the purpose of improvements in distributive relations in strict accordance with the socialist principles of remuneration for labor and of social justice. This should be the purpose of overcoming trends both toward wage levelling and toward possible remunerations exceeding the value of labor rendered to society. Steps will be taken to consistently advertise the management methods which have passed experimental tests and which provide, in particular, for a

rather strict dependence of the increase made in the wage fund on the effects of the work done and for the expanded rights of enterprises to make use of the wages fund and material incentives and to foment the material interests of the leadership and of labor collectives themselves in performing the target works with a reduced number of personnel.

The objective of the distributive policy will be to expand possibilities for motivating highly qualified work, to consistently overcome groundless differences in assessing equally qualified work in all spheres of the national economy, and to improve proportions in wages and salaries paid to various staff categories (workers, brigade leaders, foremen, technicians, engineers).

In this way, the acceleration of economic growth is both a condition for and a result of invigorating social policy, expanding possibilities for the growth of the people's prosperity, and increasing the effects of social measures on qualitative changes for the better in the national economy.

In line with the new tasks and conditions for economic and social development, consistent measures will be taken to comprehensively develop and raise the efficiency of the entire system of management. The Communist Party has developed a concept of restructuring the management and planning system along the following main lines:

- a) concentating centralized management and planning on the scientific substantiation of the goals and tasks of economic and social development; on defining general economic, interbranch, and interregional proportions; on determining priorities in structural, investment, technical, and social policy, in the economic reclamation of new regions, and in shaping a logically well-proportioned system of economic norms and levers that induce the entire economic system to make more effective use of resources as well as to improve the technical standards and the quality of production.
- b) expanding the rights of the basic link of production--associations and enterprises--as well as of territorial management organs in planning and management decision making and increasing their economic responsibility for the satisfaction of social needs and for the effective utilization of resources granted them by society.
- c) making wider and more effective use of economic levers based on the material interests of the working people and of production collectives, and consistently applying economic accountancy.

These principles have been tested in large-scale experiments carried out in industry, agriculture, transport, and the sphere of services. What matters in the 12th 5-year period is to move from experiments to a wide application of planning and management methods which have proved themselves in practice. As of 1987, all industry will work on the basis of the new methods, and in the 5-year period these methods will also be extended to other branches of the country's economy.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomiki i mezhdunarodnyye otnosheniya". 1986

32

ISSUES OF WORLD SECURITY, ARMS PROPOSALS DISCUSSED

Moscow MIROVAYA EKONOMIKA I MEZHDURNARODNYE OTNOSHENIYA in Russian No 3 Mar 86 (signed to press 12 Feb 86) pp 28-39

[Article by O. Bykov: "General Security Is An Imperative Of The Times"]

[Text] The international relations of our time are diverse, complex, and contradictory. This is a reflection of the realities of contemporary world development. The foreign policy courses of the widest range of states belonging to different social systems conflict and interact in the international arena. Bilateral relations are interwoven with multilateral ones. Rivalry, competition, and cooperation are characteristic of the political, economic, and other spheres. But for all the acuteness of international life, a problem in which the vital interests of all states are focused has advanced into the foreground, namely, the problem of international security and, in essence, the question of mankind's survival in the nuclear age.

In recent years, the scale and intensity of military confrontation has risen sharply by the fault of the aggressive forces of militarism, primarily U.S. militarism. The confrontation has led to critical tension and to the undermining of mutual confidence. The accelerating rates of the arms race have entered a stage fraught with the irreversable destabilization of the strategic situation, particularly if weapons are placed in space. Arms limitation agreements have been blocked. The old hotbeds of explosive conflicts continue to exist and new ones have appeared in various regions of the globe.

The intensification of the threat of war has made it an absolute priority of world politics to ensure international security. What is involved is no longer simply the pressing need for individual measures to restrain the dangerous course of events, but broad countermeasures aimed at a radical change for an improvement in the entire world situation. The imperative of the times is now a qualitative shift in international affairs toward ensuring a truly all-embracing, genuinely general security which requires the combined efforts of all states and people for the sake of preventing the death of world civilization and even of life itself on our planet.

The growing interdependence of peoples' interests in various spheres of constructive activity and also stable and peaceful relations between all states are an indispensible condition for the maximum utilization of the boundless potential for developing mutually advantageous international cooperation for the good of

the people. This potential is opened up by the scientific-technological revolution, from the widening of trade-economic, scientific-technological, cultural, and other ties to the joint solution of urgent global problems.

Reliable security for all is both possible and realistic, because the intensification of the threat of war is overshadowed by the rise in the interdependence of the interests of survival and cooperation. It is necessary to have a profound awareness of the realities of the nuclear and space age and a readiness to act in a constructive spirit for the sake of the preservation of peace and the progressive development of mankind.

I

One of the most difficult things in politics is to escape from the vicious circle of "action and counteraction." In order to overcome the inertia of confrontation and to cut through the tight knot which it has tied, it is necessary to display the highest degree of state wisdom and a capability for unorthodox interpretation of security problems.

It is also important to hold fast to a course of positive new impulses in the development of the international situation. The responsibility for the fate of peace revires us to rise above discord and calls for joint efforts to resolve the primary task for all people of our time—the elimination of the danger of a nuclear war.

It was to adopt precisely this approach to the burning issue of international security that the Soviet leadership was empowered by the April (1985) CPSU Central Committee Plenum, which stressed the need for the activation of everything possible in the USSR's peace-loving policy on the broadest front of international relations. The plenum called for every effort to be made in order that the forces of militarism and aggression not prevail; pointed out the urgency of halting the arms race and moving toward real disarmament; and came out in favor of developing smooth, correct, and civilized relations between states and of expanding and deepening mutually advantageous economic ties. The foreign policy aims of the April Plenum were embodied in the Soviet Union's large-scale concrete peace initiatives, which exerted a favorable influence on the political climate in the world and largely prepared the ground for a most important event—the Soviet-American summit meeting in Geneva.

Washington's approach was different. From the beginning of the eighties, the U.S. Administration adopted a course of confrontation, of upsetting strategic parity, and of achieving military superiority over the Soviet Union and a dominant position in the world. However, this bellicose course inevitably came into conflict with the realities of the contemporary world. Pressure met with a firm rebuff from the Soviet Union and the other countries of the socialist community. The rejection of Washington's policy increased all over the world, including among its allies. The struggle around foreign policy questions intensified within U.S. ruling circles themselves. As a result, a certain reassessment of a number of obsolete postulates of U.S. policy began—although in an inconsistent and contradictory way—and some changes began to show. In Washington, certain signs of comprehension of the need for interaction by the sides appeared, a need conditioned by the objective community of interests in the face of the threat of mutual destruction.

The meeting between M.S. Gorbachev, general secretary of the CPSU Central Committee, and U.S. President Reagan in Geneva from 19 to 21 November 1985 was necessary, timely, and useful. After long years of dangerous confrontation, hope for a turn for the better in the world situation appeared and the way opened to the normalization of Soviet-American relations and for a constructive search for mutually acceptable solutions to controversial international questions.

The very fact that there was a meeting between the supreme leaders of two states possessing the largest military, economic, and scientific-technological potential as well as great political weight had a stabilizing effect on the state of affairs in the world. But the results of the Geneva meeting have a much broader, more principled significance with regard to strengthening international security. The mutual understanding on the cardinal issues of world politics that was achieved at the summit level and fixed in the joint statement laid the foundations for a subsequent Soviet-American dialogue. The leaders of both states declared that nuclear war must never be unleasted and that there can be no victor in such a war. They stressed the importance of preventing any war between the USSR and the United States, nuclear or conventional, and assumed the obligation not to strive for military superiority. The most important starting points have thus been determined for the joint development of concrete accords in the sphere of international security.

The significance of the central point of agreement that became clear in Geneva is difficult to overestimate: It has been determined at the most authoritative level that the historical argument between states with different social systems cannot be solved by military means.

Mutual understanding of the fundamental fact of our time was reached, the fact that the use of weapons of monstrous destructive power cannot serve any rational political goals. The sides agreed that there are no contradictions that would fatally doom the USSR and the United States to confrontation or war.

It would, of course, be unjustified to draw a conclusion from this about the possibility of placing Soviet-American relations in some peaceful, idyllic state. The differences of opinion between the Soviet Union and the United States cannot disappear. It is only important that they remain within the framework of peaceful coexistence and do not create the danger of a head-on conflict, with all its catastrophic consequences for both states and all mankind.

Speaking at the press conference in Geneva after ending his talks with U.S. President R. Reagan, M.S. Gorbachev noted that: "Characteristic of the present international situation is a very important feature that both we and the United States must take into account in our foreign policy. This is what I have in mind. In the present conditions what is involved is no longer just the opposition of two social systems, but also the choice between survival or mutual destruction."

The harsh alternative has been put forth by the entire course of world development, which also dictates the only sensible choice--that in favor of survival. This is reflected in the main result of the Geneva meeting. For all the divergencies in their policies, the sides found common ground in their approach

to the central problem--that of war and peace--and this can and must serve as the starting point for improving Soviet-American relations and the entire world situation.

It is quite clear that this alone is insufficient, not only because the understanding reached in Geneva still has to be embodied in concrete accords, but also because, although the problem of ensuring general security forms the heart of Soviet-American relations, it is far from confined to these two states. In contemporary conditions its solution requires efforts by many states. It is from this that the Soviet Union and other socialist states proceed in actively participating in the process of strengthening general security on a multilateral basis and in interacting with the most diverse capitalist and developing states.

Nevertheless, the main link in the global security structure continues to be the mutual security of the USSR and the United States. This is natural. The mutual relations of the Soviet Union and the United States continue to occupy a special place in the system of contemporary international relations. On their state of relations largely depend the correlation of stabilizing and destabilizing tendencies in the world situation, primarily in the strategic respect, and in the final analysis the very possibility of preventing nuclear war. The strategic parity that has formed between the USSR and the United States is the central component in the balance of forces between the Warsaw Pact and the North Atlantic alliance and is its main support.

Military-strategic balance is a powerful factor of general security that objectively contributes to maintaining international stability. Indeed, it is difficult to imagine that the relaxation of international tension and the conclusion of arms limitation agreements would have become possible at one time without such a balance. And how much is the risk of the outbreak of war as a result of the confrontation unleashed by militarist circles for that purpose, a risk that was enormous in any case would have grown had it not been for the restraining framework of strategic parity and general equality of each countries' Armed Forces!

For all the differences in the components of the sides' strategic potential, the balance that has been established between them is fairly stable. It is conditioned by the presence on both sides of the economic and scientific-technical resources necessary to prevent one of them from achieving superiority over the other. No one can gain the upper hand in military competition. It is necessary to become accustomed to an appromate equality of forces as a natural state. It stands to reason that aggressive imperialist circles do not at all want to become reconciled to the reality of military-strategic parity and are ready to continue the arms race infinitely with the goal of acquiring a decisive superiority for the United States and NATO. These aspirations are hopeless, but they are dangerous in that they carry an implicit threat that strategic stability will be shaken and international security undermined.

At the same time, equality of forces makes for a predisposition for adventurist, militarist schemes in the policy and strategy of bourgeois states, primarily the United States, to be driven back by sober, realistic calculations, or at least by elementary considerations of self-preservation. Life makes it necessary to assess the interests of one's own security in a new way, not to place them in

opposition to the interests of other's security but, on the contrary, to place them in the context of general security. The reorientation of political thinking and strategic planning in the West to new ways is proceeding with difficulty. The stereotypes of the past that have taken root hinder this. But it is necessary to reorient oneself if one is thinking seriously about security and not giving oneself up to irrealistic thoughts of hegemony.

The mutual obligation of the Soviet Union and the United States not to strive for military superiority strengthens their security in equal measure. On the other hand, attempts to alter the strategic balance in one's favor would stimulate further military rivalry, and in the final analysis both sides would end up with less security. The Soviet leadership is deeply convinced that less security for the United States compared with the Soviet Union—even if this were feasible in practice—would be disadvantageous to the Soviet side, as it would lead to distrust and give rise to instability.

Mechanistic "counterweight" schemes are inapplicable to the sphere of international security. In our time the concept of this sphere must be constructed not on the interests in preventing a general catastrophe--nuclear war. In this sense, the more reliable the mutual security of the USSR and the United States--naturally, without harming the interests of third countries--the higher the level of global international security. In turn, a great degree of security in the relations of third countries or in individual regions is to the good of both Soviet-American relations and international relations as a whole. Thus, as a result of the positive interaction of many states, a new type of international security is appearing and developing that is engendered by the demands of the preservation and the progress of world civilization.

Equality in the sphere of security, as in the strategic sphere, is far from being a simple arithmetical equation. It is not only characterized by the quantity and quality of weapons or even by more general indices of military might; it also has very important nonmilitary parameters—socioeconomic, scientific—technical, geographic, diplomatic, psychological, and others. Moreover, nonmilitary aspects acquire increasing importance in conditions of a stable balance. Parity contributes to turning security from a primarily military category into a primarily political one. Equality and reciprocity move the problem of security from a narrow confining framework into a broad field of political cooperation between states in the interests of a fundamental improvement in the world situation.

Of course, the balance of military forces cannot be accepted as an ideal condition for the development of international relations, particularly if it is maintained at the present high level.

But it is not the final result, merely the necessary starting point for advancing toward mutual security on the broadest front.

It is precisely toward this end that the decisions of the CPSU Central Committee Politburo and the Soviet Government on a number of large, new USSR foreign policy actions of a principled nature are directed. In his statement of 15 January 1986, M.S. Gorbachev, general secretary of the CPSU Central Committee, stressed that these decisions are expected to greatly promote an improvement of the international situation; to overcome the negative confrontational trends that

have grown in recent years; and to clear the way toward curtailing the arms race on earth, preventing it in space, generally reducing the danger of war, and building confidence as an inseparable component in the relations between states.

II

The general trend toward strengthening international security is beginning to gather force, but it is being stubbornly resisted by militarist circles, which are continuing to rely on force in their policy and are whipping up the arms race.

It is necessary for there to be joint understanding of the fact that a considerably smaller amount of weapons than now possessed by the sides is adequate for purely defensive goals. A radical reduction in the arms level on the basis of equality and reciprocity will not only not weaken, but, on the contrary, will substantially strengthen the security of both the USSR and the United States, will stabilize the world strategic situation, and will clear the way toward disarmament—the pivot of international security.

Of principled importance was the accord reached by the foreign ministers of the Soviet Union and the United States in Geneva in January 1985. This accord dealt with negotiations that cover the entire complex of space-based and nuclear weapons and have as their goal the prevention of the arms race in space and its halting on earth.

Prior to the Soviet-American summit meeting, the USSR advanced a series of proposals designed to shift the negotiations on nuclear and space weapons that were at a standstill. Carefully developed in strict accordance with the principle of equality and equal security, they provided for the achievement of an accord between the USSR and the United States on a total mutual ban on space-based weapons and on a truly radical 50 percent cut in nuclear weapons that reach each other's territory. The USSR also proposed that medium-range nuclear weapons in Europe be cut. This was to be done through the conclusion of an intermediate agreement separately, not in direct connection with the problem of space-based and strategic weapons.

In the interests of creating a favorable atmosphere for negotiations, the Soviet Union undertook a number of important steps: It unilaterally halted all nuclear tests, expressing a readiness to rapidly renew negotiations on a total nuclear ban; it announced a moratorium on the siting of its medium-range missiles in the European zone and took out of combat readiness that quantity that had been deployed [razvernutyy] in response to the installation [ustanovka] of U.S. medium-range weapons in Western Europe; it confirmed its unilateral moratorium on the testing of anti-satellite weapons; it proposed that, on condition that the arms race be prevented in space, widescale international cooperation be developed in researching and utilizing space for peaceful purposes.

A number of Soviet initiatives aimed at arms limitation and reduction did not go unanswered. It is true that many points in the counterproposals advanced by the United States essentially repeated everything that for a number of years had created an obstacle in the path of agreement.

First and foremost, they continue to contain unacceptable provisions that ignore the differences in structure of the opposing forces and which are aimed at a substantial cutback in the main component of Soviet strategic power--ICBM's--with a smaller reduction in the basic strike weapons of the U.S. strike potential--submarine-launched ballistic missiles and heavy bombers, including those with cruise missiles on board.

At the same time, the U.S. position on certain issues were contiguous to the Soviet ones; to be specific, both sides agreed to proceed from the fact that as a result of a 50 percent reduction in carriers, each would have the same number of nuclear warheads—6,000 units each—which would ensure that the strategic balance was maintained but at a radically reduced level.

The question of halting the arms race was the basic one in the negotiations of M.S. Gorbachev and R. Reagan in Geneva. However, it was not possible to find a resolution to it at the meeting. The American leadership's unwillingness to abandon its "star wars" program did not allow concrete accords to be reached.

In developing its program of preparations for the siting of space-strike weapons, the U.S. Administration is passing it off as "defense measures" which is supposedly aimed at strengthening international security through stabilization of the strategic situation and, in the final analysis, at getting rid of nuclear weapons altogether. In other words, the anti-missile "shield," which is outwardly attractive to the inexperienced, is to devalue the nuclear "sword".

But the advertisement for the "Strategic Defense Initiative" does not conform to reality. The creation of space-based weapons is not at all of a defensive nature. It is integrated into the general complex of U.S. military preparations aimed at acquiring the capability of inflicting a disarming first strike. The development [razrabotka] and deployment [razvertyvaniye] of space-based systems are intended to ensure an unpunished attack on the USSR using offensive nuclear weapons under cover of these systems. Moreover, space-based weapons themselves are also weapons (of a qualitatively new type) capable of destroying not only missiles in flight, but also ground targets.

It is quite clear that this kind of "defense" cannot contribute to curtailing the arms race; on the contrary, it would raise the arms race to an immeasurably higher level. What would happen would not be a simple addition of space-based weapons to nuclear ones, but a powerful acceleration of the entire interconnected process of creating offensive and defense weapons. The dynamics and qualitative characteristics of the arms race would fundamentally change. The marked intensification in the American side's aspiration to move into the lead, implementing the accelerated creation [sozdaniya] and deployment [razvertyvaniya] of nuclear and space-based weapons with the aim of achieving superiority, would inevitably call forth a timely and commensurate response, the aim of which would be to prevent the military-strategic balance from being upset. However, this would mean that the system of "action and counteraction," which is complicated in any case, would become even more complex. Uncertainty and unpredictability would rise sharply. There would be an intensified risk of fatal conflict as a result of accident, miscalculation, or faulty computer systems.

If the placing of weapons in space is not prevented, it will not be possible to rely on the strengthening of strategic stability. The destructive interaction of space-based and nuclear weapons threatens to put the strategic situation in a chaotic state. It goes without saying that the possibilities of reducing the accumulated stocks of nuclear weapons would be nullified, and indeed the entire disarmament process would run up against serious obstacles. As a result, a most serious blow would be dealt to international security.

The position of the Soviet Union is clear: Space must remain free of weapons. They must not be created. Under a mutual ban, strict control could be established, including opening corresponding laboratories for inspection [inspektsiya].

As a result of the Geneva summit meeting, the sides agreed to accelerate fulfillment of the tasks set in the joint Soviet-American statement of 8 January 1985: To prevent the arms race in space and to halt it on earth, to limit and reduce nuclear weapons, and to strengthen strategic stability. This principled accord must be concretely embodied in the process of the negotiations on nuclear and space-based weapons. In spite of the substantial differences between the sides' positions, there is a real possibility of drawing them closer together if they both strive for compromises in the interest of deep cuts in strategic weapons, on condition, of course, that the arms race is not allowed to spread into space. Neither is the way closed toward an agreement on medium-range nuclear weapons in Europe. It is clear that there is a considerable amount of work to be done, but the very fact that negotiations are being conducted must not serve as a justification and cover for the arms race.

III

It is not easy to move the cause of curbing the arms race from a standstill, but it is perhaps no easier to accelerate it and to strive for weighty results. It is not only the fierce resistance of the forces of militarism that will have to be overcome. Another constraint is the routine—formed under the negative influence of confrontation—of the very process of developing proposals and conducting negotiations and the fixed patterns that have taken root in this process and which long ago showed that they were unproductive and hopeless. Movement is hindered by an artificial linking of heterogenous issues, by irrevocable rigidity to the detriment of the search for compromise solutions, by the advancement of unacceptable proposals, by the substitution of practical discussion with an aspiration to win propaganda points, and by fruitless discussions on numbers and petty trading.

At the present stage the negotiation process is essentially lagging behind the arms buildup. Only an innovative and creative approach is capable of leading to the revision of obsolete concepts and ineffectual methods. In conditions of parity, large-scale and essentially political solutions can and must be sought to the problems of arms limitation and reduction, as can ways of moving forward toward real disarmament. An example of such an approach is the wide-scale complex of new initiatives on curbing the arms race advanced by the Soviet Union on 15 January 1986. These initiatives embrace the entire range of weapons-nuclear, space-based, chemical, and conventional.

At the center of the proposed measures stands the concrete program of the total liquidation of nuclear weapons all over the world, a program designed for the period up to the end of this century. The USSR and the United States should begin the consistent stage-by-stage reduction of arsenals of these weapons, with a ban on the creation [sozdaniye], testing [ispytaniye], and deployment [razvertyvaniye] of space-strike weapons. Other nuclear powers would then become involved in this process, making it possible in the final analysis to conclude nuclear disarmament everywhere by the year 2000. It is necessary to develop a universal accord so that nuclear weapons never reappear. Verification [kontrol] over destroyed and reduced weapons would be implemented by national technical means and by on-site inspection [inspektsiya na meste].

This is a constructive alternative to the U.S. program of creating [sozdaniye] a space-based, anti-missile system. If the U.S. Administration is really striving to rid the world of nuclear weapons, as it has declared, then there is a real possibility of a settlement. Instead of constructing a "shield" in space at the cost of enormous expenditures and of the undermining of strategic stability, it is more sensible to liquidate nuclear weapons.

The time has come to put an end to all nuclear explosions. Guided by the aspiration to undertake another practical step in this direction, the Soviet Union adopted a decision, within the context of the program of nuclear disarmament, to extend its unilateral moratorium on any nuclear explosions starting 1 January 1986. It was not a simple decision since the United States was continuing nuclear tests. The logic of the arms race suggested that they be resumed on the Soviet side, too. But, nevertheless, the Soviet Union proposed once again that the vicious circle of "action and counteraction" be abandoned.

There are no convincing arguments against a nuclear test ban, including what concerns the problems of control [kontrol]. Both sides have an interest in control. In conditions of mutual distrust it is no less necessary to the Soviet Union than it is to the United States. Verification of the observance of a concrete accord—whether by national technical means or international verification—cannot and must not be a stumbling block.

The USSR is decisively in favor of the moratorium on nuclear explosions becoming bilateral and then multilateral. It is also in favor of the resumption of trilateral Soviet-U.S.-British negotiations on a total and general ban on nuclear weapons tests. The Soviet Union is ready, too, for multilateral negotiations on a test ban to begin without delay within the framework of the Geneva Conference on Disarmament, negotiations in which all nuclear powers would participate.

The new Soviet initiatives proceed from the need for an urgent solution to other disarmament problems and for a reduction in the level of military confrontation.

The USSR is in favor of the swift and total liquidation of such barbaric means of mass destruction as chemical weapons. It also proposes the liquidation of the very industrial base for the manufacture of these weapons and the destruction of all accumulated stocks of them under strict control [kontrol], including international on-site inspection [proverka na mestakh].

The Soviet Union proposes that as well as the removal of weapons of mass destruction from states' arsenals, conventional weapons and armed forces should become the subject of agreed reductions. This could be initiated by an accord at the Vienna negotiations, where the contours are being delineated for a possible decision on a reduction of Soviet and U.S. troops and on the subsequent freezing of the level of both armed forces in central Europe. It would be possible to establish reasonable verification [kontrol] of the observance of the agreement, including control points to observe the entry of any troop contingents into the zone of the reduction.

The USSR is ready to contribute in every way to progress at the Stockholm Conference on Confidence-Building Measures and Security, and Disarmament in Europe. It has become completely feasible to create barriers in the path of the use of force and of secret preparations for war, whether on land, at sea, or in the air. The time has come to eliminate the remaining obstacles that prevent agreement, primarily on the isue of notification of exercises of ground troops, air forces, and navies. It has not been possible so far to resolve this issue as complex, and for this reason the Soviet side proposed that agreement be reached first on notification of large-scale exercises of ground troops and air forces and that the question of naval activity be postponed to the next stage of the conference.

Within the context of the principled decisions capable of exerting a powerful restraining influence on the arms race, wide possibilities open up for determining the balance of the sides' forces at as low a level as possible, with the components of these forces, which differ in quantitative and qualitative parameters, being comprehensively equalized.

There is no need at all to strive for "mirror image" reductions. Moreover, a fascination with symmetry only harms matters. The main task is to achieve a substantial reduction in the level of confrontation on the basis of general quality and total reciprocity and to move forward to disarmament. The Soviet Union is displaying goodwill here. If there is a mutual, radical decrease in the number of nuclear warheads to an equal point, it is ready for there to be a certain number of carriers in favor of the United States. Within the framework of the process of a general reduction of armed forces and weapons in central Europe, it would agree to a greater reduction in the number of its own forces as compared with the U.S. forces in the first stage. These are not unilateral concessions, but a constructive contribution to the cause of consistent curtailment of the arms race.

Neither are the unilateral steps in the same direction concessions. It is quite clear that the way toward agreement is laid by both sides. Mutuality cannot be avoided here. Even if unilateral measures do not bring about a countermovement—and the Soviet Union has to face the absence of reciprocity from the United States—even then the initiative is not in vain, because it augments the positive moral—political potential that is expected to serve as an important basis in the struggle for disarmament for the foreseeable future.

The complex of new Soviet initiatives in the beginning of 1986 contain a powerful charge of energy and purposefulness so necessary in order to put into motion the entire existing system of negotiations in the sphere of arms militation and

reduction. To achieve a genuine "breakthrough" in this main area of international affairs is to implement a real advance toward ensuring security for all people and states.

IV

International security has global and regional levels. At the higher, global level, where the states of the two world systems oppose each other and cooperate, the central problem of preventing nuclear war is being solved. At the regional level, the interests of states in this region are interwoven with those of external forces, and the urgent question here is primarily one of overcoming conflict situations. There is naturally no clear dividing line between these two levels; they are combined in part and they interact vigorously. It stands to reason that the global level is dominant, but the regional level is far from being a simple projection of it. The central problem—war and peace—leaves the strongest mark on the development of events regionally, while regional problems, particularly those connected with international conflicts—whether of local origin or those caused by outside interference—influence the political climate all over the world to a great degree.

Regional conflicts are diverse in form, as is the contemporary world, particularly the extensive zone of developing countries. They arise as a result of conflicts between local forces, but are deepened and inflamed by the policy of imperialism. As a result, conflicts become prolonged, chronic, and not subject to settlement.

Indeed, settlement does not even enter the calculations of those imperialist circles, particularly the United States, which aims to use regional conflicts to their own advantage, these conflicts occupying an intermediate position between a large war and general peace in their minds. Furthermore, they intentionally bring conflicts to the critical limit and play with the fate of millions of people. Ideological intolerance is embodied in crude interference in the affairs of sovereign states, in the waging of undeclared wars and overt and covert subversive operations against them, in the policy of state terrorism, and in other dangerous actions by the United States. Great-power amibitions are expressed in the aspiration for hegemony in regions that have arbitrarily been declared as "zones of exclusive interests" of the United States.

The regional aspects of U.S. policy are inseparable from global ones. The general line of drawing entire regions into the world system of military-political confrontation is to be seen in both. Not only on the periphery of the Soviet Union, but also in the most remote corners of the world the United States is spreading its strong points, preparing bridgeheads for confrontation, and involving potential allies in its wide-scale military preparations. The most bellicose groups of U.S. ruling circles make use of regional conflicts they themselves have inflamed as a justification for their policy of confrontation on a global level and as a pretext for undermining the positive trends in world affairs. They need regional unrest in order to whip up the atmosphere of tension all over the world.

The problem of regional conflicts was discussed in the course of the Soviet-American summit meeting. Both sides expressed concern on this point; since the

development of conflicts carries an implicit threat to international security. However, profound differences were found in the approaches of the USSR and the United States to the causes of conflicts and the methods of eliminating them. On the U.S. side, prevalent was the now anachronistic viewpoint according to which almost any conflict, wherever it arises, is a result of the rivalry between the two world systems. In this connection, the interests of the states of this or that region and the right of people to determine their fate by themselves were ignored. The Soviet state declared its resolute disagreement with such maniles-

One of the most important aims of Soviet foreign policy is its principled line of settling regional crisis situations on the basis of respect for the inalienable right of every person to freedom and independence and for the right to independent development without outside interference. The USSR proceeds from the point of the impermissibility of threats and the use of armed force and from the urgent need to liquidate conflicts by peaceful means through a search for mutually

Speaking to the heads of diplomatic representations accredited to Moscow at a acceptable decisions. meeting in the Kremlin on 27 December 1985, M.S. Gorbachev stated: "The Soviet Union has firmly decided to make substantial progress during 1986 on the topic of political settlements in the Near East, in Central America, around Afghanistan, in the South of Africa, and in the Persian Gulf region. We are ready to seek just solutions in cooperation with other countries, and to participate--where this is necessary -- in corresponding guarantees."

The political settlement of regional conflict situations can and must become an important support for the strengthening of general security. The community of peoples' security interests is indivisible. Improvement of the situation in any region is beneficial for the state of affairs all over the world.

Nowhere is this law, governing contemporary international life, displayed more convincingly then in Europe. The political climate here largely depends on the development of the entire complex of East-West mutual relations. In turn, the state of all-European affairs has a marked effect on world policy.

Europe's potential for love of peace and its collective state wisdom engendered the policy of international detente and the Helsinki process of strengthening security and developing cooperation. Each European country has made its own contribution. A balance of security interests of the states of Europe and North America has been formed. This is common property, and it is necessary to preserve and augment it through joint efforts and to strive for a shift to more stable, secure relations between states. The Soviet Union and the other socialist states are taking the most active part and are acting to overcome the splitting of Europe into opposing groups in the foreseeable future.

But even in conditions where two military-political alliances exist, it is possible to ensure such a balance of military forces at a lower level as would substantially blunt the acuteness of the present confrontation. The creation of stable conditions of security and confidence on the European continent would make it possible to develop mutually advantageous cooperation in all spheres even more widely and intensively.

Europe's positive experience could serve as an example for other regions, naturally taking their specific nature into account. It stands to reason that the problems and ways of ensuring security form in their own manner in different regions of the world, with the participation of a wide range of interested countries. As far as the Soviet Union is concerned, it is ready to contribute in every way to the creation of reliable security zones all over the world.

The USSR attaches significance to strengthening security in the vast region of Asia and the Pacific Ocean. Together with its socialist allies and friends, it is acting so this region not be a source of tension or a sphere of dangerous military confrontation and in order that the political dialogue widens between all states situated there in the interests of peace, good-neighborliness, mutual trust, and cooperation.

Implementation of the program of nuclear disarmament and liquidation of chemical weapons would fundamentally change the situation in Asia. It would free the people in this part of the globe from the fear of the nuclear and chemical threat and would raise security in the region to a qualitatively new level.

The Nonaligned Movement is capable of making a great contribution to improving the international situation on the Asian Continent and far beyond its frontiers. The Soviet Union is developing comprehensive cooperation with India, which has a positive role here.

The USSR is consistently conducting a principled line in the sphere of Soviet-Chinese relations and is in favor for serious improvement in the relations. It proceeds from a conviction of the need to restore good-neighborliness and comprehensive cooperation with the People's Republic of China, which would correspond to the fundamental interests of the Soviet and Chinese people and would contribute to strengthening security in Asia.

The Soviet Union is in favor of better relations with Japan. This is necessary in the interests of ensuring security in the Asian and Pacific region, and indeed in the interests of eliminating the nuclear threat altogether. The interests of the USSR and Japan cannot but coincide here.

The construction of a general security system requires the wide-scale inclusion of various regions of the world. It can scarcely be expected that movement toward this goal will be rapid and unimpeded. But everywhere--from Central America to the Near East and from the Mediterranean to Southeast Asia--the objective preconditions are being created for a shift from dangerous tension to peaceful mutual relations. The aspiration for reliable security is growing stronger in these regions, and it is being intensified by a trend toward detente and cooperation in all international developments.

There has never before been such a threatening danger in the world as that which now hangs over it in the nuclear age. Neither has there ever been in the past such a need for cooperation to solve problems common to all mankind as that need that now makes itself known as an imperative in our time. For the first time in history, the broadest community of interests of the human species in preventing its own death and in combining efforts for its own good is forming.

It is here that a real possibility of ensuring lasting peace between people exists. In order to transform this possibility into reality, it is necessary to master the skill of living together on our planet, to renounce the inflamation of enmity on the grounds of differences of ideology and social systems, to display mutual restraints, to put an end to confrontation and the arms race, and to strive for general and reliable security.

The course of peace and disarmament has been the pivot of the Soviet Union's foreign policy. In actively conducting it the USSR is ready for the broadest interaction with all who are acting from positions of reason, goodwill, and awareness of the responsibility for ensuring mankind's future without wars and without weapons.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1986

CSO: 1816/07a-F

UN 40TH ANNIVERSARY SESSION'S ANTI-NUCLEAR STANCE SUPPORTED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 40-47

[Article by Yu. Tomilin: "Results of the UN Anniversary Session and the International Year of Peace"]

[Text] Soviet diplomacy is approaching the 27th CPSU Congress armed with the directions of the party Central Committee's April (1985) Plenum. Proceeding from its decisions, the Soviet leadership displayed a number of large-scale foreign policy initiatives which contributed to ensuring that by the fall of 1985 certain glimmers of hope for an improvement in international relations had appeared on the cloud-covered international horizon. This could not have failed to have been reflected most directly in the work of the UN General Assembly 40th, anniversary, Session. It was conducted in the period of the preparations for and realization of the meeting of M.S. Gorbachev, general secretary of the CPSU Central Committee, and U.S. President R. Reagan. Merely the fact that such a meeting took place testified to certain positive changes in the international situation and the atmosphere of Soviet-American relations.

In a special resolution passed on the eve of the Geneva meeting the General Assembly expressed the hope that the meeting would lend decisive impetus to the Soviet-American negotiations in order that they might "lead to the speediest achievement of effective accords on preventing an arms race exerting a negative influence on international security and also on socioeconomic development and on reducing arsenals and preventing an arms race in space and on its use for peaceful purposes."*

The UN General Assembly anniversary session culminated in the adoption of a resolution proclaiming 1986 the International Year of Peace. This decision reflects the hope of the peoples that the present year will be a turning point in the development of world events.

^{*} UN General Assembly Resolution 40/18, 18 November 1985.

An anniversary is an excuse for summing up. The United Nations emerged as the result of the victory of the freedom-loving peoples over fascism and militarism. And it is perfectly natural that the very first lines of its charter proclaim the resolve of the United Nations to save future generations from the horrors of war, display tolerance and live with one another in the world as good neighbors.

Twentyfour October 1945, when the charter of the United Nations came into force, is considered the United Nations' birthday. It has stood the test of time, and the organization itself has become an important factor in the system of international relations. It has also contributed to the fact that in the past four decades mankind has succeeded in avoiding a new world war. This is the main result of the United Nations' activity, as the message of the CPSU Central Committee general secretary to the participants in the General Assembly anniversary session emphasized. At the same time, however, the message observed that the main task set in the UN Charter has yet to be resolved—guarantees of lasting peace have not been created. "The joint efforts of states and peoples," M.S. Gorbachev observed, "are needed today more than ever to ward off from mankind the threat of nuclear catastrophe."*

This problem was at the center of the attention of the session, which examined thoroughly and in detail ways of putting an end to the arms race on Earth and its prevention in space.

The session showed that the international community is experiencing serious disquiet in connection with the threat of nuclear war. The idea that states are called upon to ward off this threat jointly just as 40 years ago the United Nations were able to rise above ideological and other disagreements and conquer the common enemy was heard insistently. Attention was called particularly to the fact that the danger of a nuclear catastrophe is growing sharply now, in connection with the plans of the United States aimed at preparing for "star wars". Many delegations expressed concern that the increased technical level of arms and their automation and electronization carry the threat of events slipping beyond the control of human intelligence. "Reaction time is being abbreviated sharply," Indian Prime Minister R. Gandhi declared. "Arms control is becoming increasingly complicated. Action and counteraction are moving increasingly beyond the sphere of man's decision. The button is threatening to work of its own accord. The world is irreversibly sliding toward nuclear catastrophe."**

Key significance in easing the nuclear threat is attached to the prevention of an arms race in space. The point being that it is primarily with this sphere that the United States is linking its hopes for the achievement of military superiority and a change in the strategic balance in its favor.

^{*} PRAVDA, 25 October 1985.

^{**} UN General Assembly Minutes A/40/PV 48, 24 October 1985, p 136 (Russian).

Of course, as long as there are nuclear weapons at states' disposal, the danger of the outbreak of nuclear war cannot be completely ruled out. Nonetheless, under the conditions of strategic balance such a danger is comparatively less. In addition, a state of parity is a good prerequisite for a halt to the buildup of nuclear arms and a subsequent radical reduction therein. A realistic and responsible policy is designed to ensure precisely such a development of events.

Washington's so-called "strategic defense initiative" has an entirely opposite focus. Its officially declared goal is the creation of broad-based antimissile defenses. Under the conditions of the nuclear confrontation the very advancement of such a task is the equivalent of a policy of acquiring the potential for an unpunished nuclear attack or blackmail.

It is not fortuitous that under the peal of talk about the "defensive" nature of the "star wars" program the buildup of the United States' offensive potential is continuing. All its components are being given the capacity for use in the course of a first strike. Thus it is not all nuclear weapons which it wishes to make "unnecessary" and "obsolete" but only what constitutes the basis of the USSR's defense potential.

The so-called defensive weapons of "star wars" are nothing other than space-based assault weapons. Their designation would be destroying not only missiles but also satellites. Their target would be primarily the other side's surveillance satellites in order to deprive of "sight" its strategic forces of a retaliatory strike.

The surveillance and communications satellites which exist in space currently are not weapons in the proper meaning of the word. They do not "shoot" and cannot kill or destroy. Furthermore, they contribute to a certain extent to maintaining strategic stability, depriving, inter alia, the opposite side of the possibility of launching a surprise attack. For this reason it would be wrong to claim that space has already been militarized. An arms race in space would begin in the event of the placement there of attack weapons intended for destroying targets in space or from space on Earth and if arms appeared on Earth intended for destroying space-based targets. Noteworthy from this viewpoint was the statement at the session by French External Relations Minister R. Dumas: "The deployment of new types of antimissile and antisatellite weapons on Earth or in space will lead to a new arms race, which will be fraught with new destabilizing consequences."*

Each step forward in realization of the "star wars" program is inevitably leading to the undermining of the Soviet-American accords in the sphere of strategic arms limitation, primarily the ABM Treaty, which prohibits the creation, testing and deployment of space-based ABM systems and components. In addition, the "star wars" program is essentially undermining the whole process of the limitation and reduction of strategic arms. The creation and deployment in space of assault weapons by one side will demand of the other restoration of the upset parity. This will inevitably lead to a quantitative increase and qualitative improvement in strategic nuclear arms and thereby dash mankind's hopes for their limitation and reduction.

^{*} UN General Assembly Minutes A/40/PV. 10, 27 September 1985, p 66.

In the event of the militarization of space, colossal material and human resources, which are so necessary for the solution of many urgent problems confronting mankind, would be thrown additionally into the furnace of the arms race.

Yet space, which comparatively recently even was the subject of the attention merely of people with a powerful imagination, has today become a sphere of man's practical activity. It is sufficient to say that since the time of the Soviet Union's launch of an artificial Earth satellite various countries have put in space more than 3,000 automatic and manned craft. There remains not one area of fundamental scientific research whose achievements have not been used by cosmonautics, as, equally, there is no science and sphere of man's activity in general which has not experienced directly or indirectly the influence of "peaceful space". Its continued conquest promises mankind truly unlimited prospects. "Now, when new technology is making the use of space more attractive from the economic viewpoint," Finnish Foreign Minister P. Vayrynen observed in a speech at the session, "the time has come to also give thought to a more all-embracing approach to the question of the use and control of these resources."* In general, the need to prevent the transference of the arms race to space was the leitmotiv of the majority of speeches at the anniversary session. "There is now nothing more urgent than preventing the militarization of space,"** Burmese Foreign Minister U Ye Gaung, for example, declared.

The Soviet Union put forward for examination by the General Assembly a proposal concerning the main directions and principles of broad international cooperation in the exploration and use of space for peaceful purposes. It was a question in the Soviet proposals of moving forward jointly—in the fundamental and applied spheres of the conquest of near-Earth space—in order that all peoples might enjoy the fruits of this research. Such cooperation would be realized most efficiently within the framework of a world space organization. But this would be practicable if all channels of the spread of the arms race to the boundless expanse of space were reliably closed off.

As a counterweight to the sinister "star wars" plans the Soviet Union put before the international community the "star peace" concept.

The results of the voting on the resolution on prevention of an arms race in space are eloquent testimony to the path which the UN General Assembly supported. Some 151 states, with the exception of the delegates of the United States and... Grenada, voted for the resolution. The United States did not manage to persuade even its closest allies to abstain.

The resolution, the draft of which had been prepared by nonaligned countries with the active participation of the socialist states, emphasized the need for the adoption of measures to prevent an arms race in space and confirmed

^{*} UN General Assembly Minutes A/40/PV 6, 24 November 1985, p 37.

^{**} UN General Assembly Minutes A/40/PV 13, 17 November 1985, p 97.

that space should be used solely for peaceful purposes. The resolution proposes that the Geneva Disarmament Conference negotiate the conclusion of an agreement or agreements for the prevention of an arms race in space in all its aspects and insistently calls for intensive constructive Soviet-American negotiations aimed at the speediest achievement of an agreement on this question.

Noting that an arms race in space could create obstacles to the development of international cooperation in the peaceful conquest of space, the resolution reflects the main focus of the Soviet proposals advanced at the 40th Session. With regard for them the document incorporates a special clause on soliciting UN members' thoughts concerning the possibility of the development of international cooperation in the prevention of an arms race in space and the peaceful conquest of outer space, including the desirability of creating the appropriate mechanism.

The resolution also reflects the proposal advanced at the session by Poland concerning an investigation of the consequences of the spread of the arms race to space.

As a whole, the document corresponds to the interests of the consolidation of peace and international security, removal of the threat of nuclear war and the development of cooperation and mutual understanding between states and peoples.

Also adopted was a special resolution which contains an instruction to the UN Committee on the Use of Space for Peaceful Purposes to continue work in the international-law and technical fields with regard, in particular, for the Soviet initiative pertaining to the peaceful use of space advanced at the 40th Session.

II

Great attention was paid at the session to questions of lessening the nuclear threat, limiting the arms race and turning it back. It was a question primarily of a discontinuance of nuclear weapon tests, which would make it possible to sharply decelerate and in many respects make practically impossible a qualitative refinement of these weapons and the creation and development of new types thereof.

Many delegations mentioned the great significance of the Soviet Union's unilateral suspension as of 6 August 1985 of all nuclear explosions. Concern was expressed for the United States, for its part, to join the moratorium.

On the question of banning nuclear testing the General Assembly 40th Session passed four resolutions, which reflects both differences in approaches to the solution of this question and attempts to find new opportunities for moving it from standstill.

A resolution adopted on the initiative of the socialist states contains an appeal to the Disarmament Conference for an immediate start on negotiations for the preparation without delay of a draft treaty which would effectively ban all test explosions of nuclear weapons by all states everywhere and also contain clauses acceptable to all preventing the evasion of this ban by

means of nuclear explosions for peaceful purposes. The assembly welcomed the unilateral moratorium imposed by the USSR on all nuclear explosions as a practicable step toward achievement of the said goal. It insistently appealed to the other nuclear powers to follow the Soviet Union's example. The sense of the General Assembly decision is clear: the chance afforded by the Soviet moratorium should not be let slip.

The need for the speediest multilateral negotiations within the framework of the Disarmament Conference on the question of banning nuclear weapons tests is also stressed in a resolution adopted at the initiative of Mexico. It is not the first year that the UN General Assembly has addressed such appeals to the Disarmament Conference. However, negotiations have not begun there owing to the American veto. The United States needs tests to perfect nuclear warheads per the nuclear rearmament program. Furthermore, it has recently embarked on the development of laser weapons with a nuclear excitation, which are assigned an important place in the "star wars" plans.

A further resolution was adopted on Mexico's initiative proposing that the United States, Britain and the USSR, as depositaries of the 1963 Moscow Treaty banning tests of nuclear weapons in the atmosphere, space and underwater, embark on consultations with one another for the purpose of studying the possibilities of converting this treaty into an all-embracing agreement which would prohibit nuclear weapons tests in all media, including underground. The basis for such a formulation of the question is the fact that the preamble to the Moscow Treaty contains a clause emphasizing the need for the prohibition of all tests of nuclear weapons and continued negotiations to this end.

The Soviet Union, other socialist states and the nonaligned countries supported both resolutions. Only the United States, Britain and France opposed them, as, equally, the corresponding resolution of the socialist states.

The UN General Assembly 40th Session adopted a whole number of resolutions on a broad range of questions connected with preventing nuclear war, no first use of nuclear weapons (an appeal for states to follow the example of the Soviet Union and the PRC, which undertook not to be the first to use nuclear weapons), a freeze of nuclear arsenals, a reduction in nuclear weapons and the creation of zones free of nuclear weapons and a number of others.

Great attention at the session was paid to the problem of the complete banning and destruction of chemical weapons. It is not the first year that negotiations on this issue have been under way at the Disarmament Conference. However, they have dragged on impermissibly. Responsibility for this lies with the United States, which is insisting that upon monitoring compliance with a convention banning chemical weapons the socialist states be put in an unequal position with the Western states.

It is well known that the General Assembly resolutions are of a recommendatory nature. They do not of themselves solve the questions which are raised, but may impart to their solution the necessary impetus. The results of the voting show very eloquently the positions to which this state or group of states or the other cleaves. From this viewpoint it is highly indicative that of the 71 resolutions adopted on arms limitation questions, the United States has not supported many: on the majority of them it has either abstained or voted against.

The United States' extremely negative behavior has repeatedly put its allies in a very difficult position. In order to present before the world community their positions in a somewhat more favorable light the Western states attempted to play on so-called "abstract" resolutions, that is, unconnected with this specific arms limitation measure or the other. They evidently reasoned thus: since they cannot vote "for" drafts proposing some specific steps in the arms limitation sphere, they will at least score political points in voting for resolutions which are absolutely nonbinding.

Thus there appeared a Western draft resolution on the question of monitoring compliance with agreements in the disarmament sphere. It is well known that throughout the history of the disarmament negotiations the Western states have resorted on multiple occasions to the assistance of this "rescue" issue in order to cover up their refusal to implement disarmament measures. The dodges to which they have had recourse have been of a dual kind: it has either been asserted that monitoring implementation of the proposed disarmament measure is impossible or supervision proposals have been put forward which go far beyond the bounds of the requirements of verification of compliance with a given agreement or measure and, in the event of their being accepted, would lead to the disclosure of data connected with states' security. A resolution adopted at the suggestion of a number of Western countries at the 40th Session emphasized the need for monitoring compliance with agreements in the arms limitation sphere and recommended that the opinion of UN members on supervision questions be solicited. Evidently the calculation of the initiators of this resolution was, having divorced the problem of supervision from specific disarmament measures, to prompt the delegation of the Soviet Union to vote against it. The Western delegations could then declare that the USSR was against supervision. But the Soviet delegation voted for this resolution.

Concerning the assertions as regards the fact that the Soviet Union is against supervision, E.A. Shevardnadze, member of the CPSU Central Committee Politburo and USSR foreign minister, declared in a speech at the anniversary meeting of the session: "This is asserted by those who are creating new arms which are fundamentally aimed at complicating supervision. We put to them the reciprocal question: are you prepared to scrap hundreds of missiles and aircraft and thousands of nuclear warheads, as we are? Answer 'yes,' and we will certainly be able to come to an agreement on supervision."

The compliance with agreements in the arms limitation sphere was chosen as another proposition on which the West attempted to play. A group of Western delegations presented a draft resolution which proposed something which was obvious and absolutely correct—compliance with arms limitation agreements. But it was served up such as to evoke associations with recent Western frauds which claimed that the Soviet Union was violating the agreements. And here the calculation was that by virtue of these associations the USSR would vote against the resolution and thereby provide a pretext for making a song about the fact that it was opposed to compliance with the agreements. But the venture failed. The Soviet delegation voted for the resolution.

While voting in recent years against documents aimed at preventing nuclear war, certain Western states have attempted to counterpose to them the concept set forth in a draft resolution entitled "Preventing War in the Nuclear Age". Speculating on the correct proposition that it is essential to prevent not only nuclear war but also any war, they have attempted to play down the scale of the nuclear threat. Simultaneously it has been proposed as a prescription for preventing war "improving mutual information about military activity," "broadening the exchange of information and opinions on military issues" and so forth. At the same time, however, the draft makes no mention of really urgent measures of a reduction in the nuclear danger—no first use of nuclear weapons, a suspension of nuclear testing, a nuclear freeze and so forth. This attempt to turn inside out the most acute problem of the present day evoked such extensive anger among the participants in the session that the coauthors of the draft deemed it best not to have it put to the vote.

III

The session paid great attention to the tasks of eliminating regional centers of tension. It was emphasized in this connection that such conflicts should be settled by peaceful means, given full and just consideration of the legitimate interests of all sides.

The session condemned acts of aggression against Nicaragua. The adoption of a resolution demanding cancellation of the trade embargo against this country was a political defeat for the United States. Central America's problems should be settled on the basis of the right of its people to self-determination and independent choice of social system without outside interference. The overwhelming majority of General Assembly participants supported such an approach.

The United Nations again condemned the aggressive policy of Israel, emphasizing that its continuation is facilitated by the so-called "strategic partnership" between Washington and Tel Aviv. The need for the convening of an international conference with the participation of all interested parties, including the PLO, for the achievement of a genuine settlement in the Near East was emphasized.

Having condemned the South African racists and those who are blocking in the Security Council the adoption of sanctions against them in accordance with the UN Charter, the General Assembly demanded liquidation of the shameful apartheid regime and the granting of independence to Namibia without any strings. Together with the majority of other UN members the Soviet Union firmly supported these decisions.

The assembly commemorated the 25th anniversary of the adoption on the initiative of the USSR of the UN Declaration on Decolonization, emphasizing the need for its full and universal compliance.

The session also examined the problem of the release of resources for purposes of creation by means of disarmament measures and assistance to the developing countries. This will be the central task at an international conference on the interconnection of disarmament and development to be held

in the summer of 1986 in Paris. The creation of a new, just international economic order, including the solution of the debt problem, which was also supported by the majority of delegations, should serve the same goals.

Resolutions were adopted at the initiative of the socialist countries on international economic security, the impermissibility of economic compulsion and a number of other subjects.

The Soviet Union is an active champion of the safeguarding of man's basic rights and liberties. For this reason it fully supported the session's decisions on condemnation of the flagrant and mass violations of these rights and liberties on the territories occupied by Israel and in Chile and El Salvador and other manifestations of apartheid and fascist and neofascist ideology. International terrorism was rejected, and, furthermore, attempts to pin the label of terrorism on national liberation movements were emphatically condemned.

Unfortunately, however, not all participants in the session and on not all issues were able to rise above political prejudice. The result of this were resolutions once again foisted on the General Assembly on the so-called "Afghan" and "Cambodian" questions. As life itself has shown, such decisions, which are devoid of political realism, are to the benefit merely of those who, waging an undeclared war against Afghanistan and supporting the Pol Pot bands on Cambodia's borders, are impeding a political settlement in the corresponding regions. Including the negotiations under way between Afghanistan and Pakistan via the personal representative of the UN secretary general.

So, a great deal of work has been done. Besides the general political debate, on this occasion there was a considerable number of supplementary meetings specially devoted to the 40th anniversary of the United Nations. Thirtyfour heads of state, 33 prime ministers, 9 vice presidents, 12 deputy premiers and more than 100 foreign ministers spoke at the session. A 146-point agenda embracing practically all the major problems of contemporary international life was examined. More than 30 resolutions and decisions were adopted.

But the significance of the session is determined, of course, not by quantitative indicators, nor even by the fact that it commemorated the UN anniversary. Having taken place at a difficult and largely decisive moment of world development, it reflected states' growing concern at the continuing arms race, which is now threatening to take in space also, the unsettled state and, in a number of cases, exacerbation of regional crises and conflicts and the intensification of the grim economic situation of many developing countries. The session confirmed that the United Nations has considerable authority as a forum playing a truly unique part of a center for the exposition of the views of practically all states and a quest for the optimum correlation between their national and common global interests and the coordination of actions for the sake of achieving jointly set goals, the most important of which is "sparing future generations the calamities of war".

Set at the time of the birth of the organization as a result of the victory of the peoples over fascism, this great goal remains the most important for all mankind and continues to bring states together, despite the political and ideological views and approaches—sometimes opposite—which divide them. The United Nations' importance in promoting a revival of detente and in the system of reliable general security and the rule of law to whose creation the given process should lead was confirmed once again.

The anniversary session showed that, relying on the concept of peaceful coexistence and cooperation which was made the basis of the United Nations, the organization's members (and there are now 159 of them) are capable of finding—albeit not in all things—a common language and jointly formulating both high moral criteria and specific recommendations contributing to the formation of a new global political thinking corresponding to the realities of the nuclear—space age.

The peaceable countries and all who are prepared to take into consideration in their policy the will of the world community are confronted with the task of striving for the introduction in international relations of the goals and principles of the United Nations, as, equally, the decisions of the 40th Session of its General Assembly corresponding to them. The measures of the International Year of Peace must be used to the maximum in the furtherance of these noble aims.

It is significant that at the very outset of 1986 the Soviet Union has put forward a set of new large-scale foreign policy initiatives. Their purpose is to contribute to the maximum extent to an improvement in the international situation. They have been dictated by the need to overcome the negative, confrontational trends, which have grown in recent years, and to clear the way to a winding down of the nuclear arms race in Earth and its prevention in space, to a general lessening of the military danger and to the molding of trust as an inalienable component of relations between states.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07 ECONOMIC CAUSES, PHENOMENA IN 'CRISIS OF CAPITALISM' ANALYZED

Moscow MTROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 48-59

[Article by E. Pletnev: "Economic Bases of the General Crisis of Capitalism"]

[Text] The political and theoretical program documents for the 27th CPSU Congress submitted for extensive discussion fundamental evaluations of the modern era and the sum total of key international and domestic conditions under which our society is gradually moving toward communism. Among these most important factors is the intensification of the general crisis of capitalism.

The draft new version of the CPSU Program characterizes present-day capitalism as the last exploiter system, which is strong and dangerous, but which has passed its zenith. It is still capable of maneuvers and "modifications," but no longer capable of emerging from the all-embracing crisis.

Proceeding from the essential features of the modern era and the indisputable testimony to the intensification of the general crisis of capitalism, the proposed draft new version of the party program concludes that increasingly new peoples are denying capitalism their trust, are unwilling to connect their development prospects with it and are doggedly turning toward a socialist type of social arrangement. The peoples are being brought to such a change in their destiny by the very action of the objective economic laws and class contradictions irreversibly shaking the foundations of capitalism from within.

By general crisis of the latter is understood a direction of the intrinsic processes of the development of capitalism where the limit of this mode of production is being revealed in reality and the objective and subjective prerequisites for the replacement of capitalist production relations by socialist relations are taking shape in its interior. From stage to stage of the general crisis of capitalism the economic and sociopolitical prerequisites of socialism achieve an increasingly great degree of maturity. The victorious breaches of the chain of capitalist oppression are narrowing capitalism's field for maneuver and reducing its reserves. In addition, the dialectic of development is such that the very resources which capitalism is activating for the purpose of strengthening its positions are inevitably leading to an exacerbation of all its deep-lying contradictions.

The question arises: what is the mechanism of the conversion of the measures to preserve the foundations of the domination of capital as a production mode and world system into factors of its loosening and "removal," that is, replacement by another, higher type of socialization and the internationalization of the productive forces and all economic and sociopolitical life. How synchronously or asynchronously the process of the decomposition of capitalism's economic system is attended by the reactionary degradation of its political superstructure may be ascertained by formulating conclusions from a political-economic investigation of the problem.

Granted all the indisputable political soundness and theoretical fruitfulness of separation of the determining role of intrinsic political-economic regularities of the intensification of the general crisis, we should reject the ideological myths, which are offered in an "inflationary" abundance, propagandizing the passive anticipation and "automatic collapse" of the last exploiter system.

We cannot lose sight of the fact that it is a question of the self-movement of the system of contradictions of capitalism proper which, while a profoundly intrinsic ailment, experiences the increasing influence from outside on the part of the real, future-directed socialist world.

Conflict Between the Productive Forces and Their State-Monopoly 'Socialization'

The "Communist Manifesto"—communists' first program document—branded capitalism with the indelible stigma of a magician who has summoned up as if from underground mighty (productive—E.P.) forces which he himself is incapable of handling. Thus back at the dawn of industrial capitalism the brilliant perspicacity of the teachers of the revolutionary proletariat, K. Marx and F. Engels, enabled the working class to perceive the ineradicable conflict between the productive forces surging forward and the outer casing of capitalist production relations. When capital "begins to perceive itself as a limit to development and when it comes to be regarded as such a limit to be surmounted, it seeks refuge in forms which, although seeming the culmination of the domination of capital, are at the same time, as a result of the curbing of free competition, the harbingers of its decomposition and the decomposition of the mode of production which is based thereon."*

Continuing the cause of K. Marx and F. Engels, V.I. Lenin comprehensively developed the idea of the growing incompatibility of the progressive productive forces and the forms of their socialization by monopoly capital. Capitalism's growing incapacity for handling the growth of the productive forces is manifested in the increasingly frequent world cyclical crises of the "overaccumulation" of capital and periodic disruptions of the correlation of imperialist forces in the arena of the world economy—the exacerbation and interweaving of many contradictions which arose in the soil of the oppression of the monopolies. The uncontrollable growth and intensity of the entire system of antagonisms forced capitalism to stimulate the role of the state and led to the combination, in Lenin's definition, of the power of the monopolies and the power of the state in a single mechanism of exploitation and oppression

^{*} K. Marx and F. Engels, "Works," vol 46, pt II, p 155.

of the working class and all working people. This combination of forces of the economic basis and political superstructure against the working people has brought capitalism to its final step on the historical ladder, to the eve of socialist revolution.

But on the threshold of socialism the development of the capitalist production mode does not come to a halt and even accelerates at times. This means that, first, there is an extreme intensification of all its contradictions and, particularly, the conflict between the productive forces and their capitalist outer casing. As the draft new version of the program observes, under the conditions of state-monopoly capitalism "the conflict between the gigantically increased productive forces and capitalist production relations becomes increasingly acute." Second, there is a change in the appearance of capitalism itself. "Present-day capitalism is largely different from what it was at the start and in the middle even of the 20th century."

A highly developed state-monopoly economy took shape in a number of countries after WWII. The main difference from preceding forms was the qualitative change in the role and quantitative growth of the scale of state functions in the production, investment, distribution and redistribution spheres of the economy. Whereas earlier the state had come to the monopolies' assistance on critical occasions of crises or wars, now it is constantly performing key basis functions, becoming an active agent of the reproduction process. The state is contributing to the official registration of concerns and financial groups and the training of manpower via a system of schools and higher educational institutions, is responsible for a considerable proportion of the capital investments and is implementing measures pertaining to price regulation, income distribution, regulation of foreign economic relations and so forth. After WWII capitalist states came out under various signboards ("dirigisme," programming, "budget planning") with ideas of general regulation of the economy.

Inasmuch as they all amounted to Keynesian prescriptions for manipulating relative overpopulation ("full employment"!) and catering for the preferential growth of the capitalists' investment demand over the masses' consumer demand ("effective demand"!) the exacerbation of social antagonisms and, consequently, the upsurge of the working people's struggle for their vital rights were inevitable. Attempting to curb the mass protests, the bourgeois states supplemented regulating economic activity with social maneuvers. "In the situation of the growing influence of world socialism," the draft new version of the CPSU Program observes, "the working people's class struggle is at times forcing the capitalists to consent to partial concessions and certain improvements in the conditions of work and its remuneration and social security." The concessions wrested in class battles were declared by bourgeois ideologists "voluntary" and charitable offerings of the "powers that be," while the state itself was repainted as "popular capitalism," the "society of general prosperity" and even "Plato's republic".

In reality the unchecked growth of the concentration and centralization of the production of capital by the monopolies went hand in hand with the formal socialization (regulation) of economic processes by the state. This meant merely subordination to private appropriation of the results of the increasingly socialized production process via the most diverse forms of state-monopoly

regulation of the economy. And as soon, following the very protracted upturn of the 1960's, the crisis period of the 1970's-start of the 1980's arrived, it all fell into place: the mask of social demagogy was torn from the "civilization of acquisition".

It is sufficient to mention that state-monopoly regulation led to stagflation, that is, reduced production at a time of rising prices. This meant that the state, having cast aside the camouflage, had risen to the defense of the egotistic interests of the monopolies, cutting back on unemployment compensation and other social payments. The activity of the state at the time of the 1973-1975 and 1980-1982 world cyclical crises of overproduction and the 1969-1971 crisis in the United States was expressed sometimes in an increase in direct measures of state intervention, sometimes in demonstrative "nonintervention," that is, in hope for the recovery of the private market and private capital investments ("Reaganomics" in the United States, "Thatcherism" in Britain, the winding down of nationalization programs in France and the reprivatization of state enterprises in a number of other countries). Of course, this brought about an explosion of affected enthusiasm among businessmen and euphoria among the heralds of a revival of the era of private enterprises. And the influx of the corporations' profits was so intensive that real capital formation based predominantly on self-financing would seemingly extricate capitalism from the tangle of cyclical and structural crises. As far as the reforms and concessions were concerned, however, they were addressed only to big business, while social security was declared an excessive luxury, "unearned" credit and so forth.

This transition of the monopolies and their states to "social revanche" caused alarm among the strategists of contemporary bourgeois society and business ideologists connected with the mass markets. To believe these "oracles," there had been a "true" economic and social revolution in the 1950's-1960's in West Europe, Japan and the United States based on... an upsurge of prosperity, consumer durables, the movement from city centers to the suburbs, generous government social payments, benefits and so forth. Now, they say, in the 1980's, everything is the other way about. Countries of the Western world are in the grip, W. Rostow believes, of a "barbaric counterrevolution". It was precisely as a result of this "counterrevolution" that in the period 1980-1982 the United States alone fell approximately \$750 billion short in its GNP. And, further: "The plain fact is that the Reagan administration has no other plan for lowering the rate of inflation than via an increase in unemployment, which the Marxists call the reserve army of labor." And although the impression is that W. Rostow is criticizing "Reaganomics" in the United States and the conservative economic policy in other centers of state-monopoly capitalism, the reasons for the concern lie deeper. They lie in the reduction of the field for socioeconomic maneuvering for the bourgeois state, which was seduced into the substantial exemption of private corporations from the payment of taxes into the federal budget. Liberals are demanding a return as quickly as possible to the previous policy of social reforms and maneuvering. W. Rostow calls for the achievement of a "civilized synthesis" -- combination of the maximum use of the private markets and fiscal and administrative measures by the state to stimulate the vital activity of the private sector so that "more and more groups" of contemporary bourgeois society reach "common civic goals".*

60

^{*} See W.W. Rostow, "The Barbaric Counter-Revolution," Austin (Texas), 1983, pp 2, 3, 75, 76.

However, while displaying concern for a "civilized synthesis" of a carrot and stick the magniloquent apologists of capital have overlooked the truly "barbaric counterrevolution"—the sinister combination of the power of the monopolies producing the means of extermination of life on Earth and the power of the imperialist states, which is realized in militarization of the economy and an arms race of unprecedented scale.

The arms race and militarization of the economy have become for imperialism an essential gamble in combating economic crises and social upheavals and fighting for "social revanche" internationally. But it is precisely because the arms race has assumed the role of main rescue means that its weak spots have revealed most strikingly the futility of capitalism's hopes of strengthening its intrinsic foundations.

The development of imperialist militarism is loudly declared an instrument of defense and protection against the alleged coming invasion of the socialist world. In practice, however, it represents today even a mechanism of suppression of the working class, primarily its detachments exploited directly in the citadels of capitalism.

State-monopoly capitalism has found in the race in nuclear and other arms a "goldmine". As the draft new version of the CPSU Program says about this criminal mode of enrichment, the buildup of military arsenals "is producing for the monopolies unheard-of profits. The gigantic military spending is lying as a heavy burden on the working people."

The danger of the arms race is clearly discernible from the viewpoint of the political economy of the working class. First, military production is yielding such enormous superprofits, which at times are currently 10-20 times greater than the value of the capital advanced. This is breaking up the mechanism of the formation of the average profit norm driven by capitalist management. Second, the government (contract) payment for the military product at prices jacked up to cosmic levels is killing in businessmen incentives to work for the mass markets and the aspiration to reduce the costs of production, replacing it by the speculative aspiration to the unchecked upward spiraling of prices. Third, the manufacture of arms does not fit within the framework of the general commodity form of capitalist production. And this also has the effect of a depth charge—weapons manufacturing—of capitalism itself.

From the socioeconomic viewpoint it is clear that military production cannot encompass all enterprises and interest all entrepreneurs to a man. The overwhelming proportion of the latter are more interested in supplies to the mass markets of civil products. In addition, among the biggest concerns which are a part of the military-industrial complexes themselves and which constitute the nucleus of the transnational corporations the craving for mass sales to civil corsumers and concernat losing their positions on civil markets are very strong. Whence the possibility of the divergence of interests of the military-industrial complex and the bulk of businessmen.

From the class viewpoint the combination of monopolies producing weapons, the generals, the state bureaucracy, the ideological machinery and militarized science in the military-industrial complex means a gigantic exacerbation of the basic social antagonism between a handful of exploiters and broad social strata.

The ominous alliance of the manufacturers of death and imperialist state power is the prop of extreme reaction, the constant and growing source of military danger and convincing confirmation of the political and social-moral bankruptcy of the capitalist system.

The higher the level of socialization of production capitalist-style (that is, by the monopolies and the state), the deeper the polarization of the class forces of bourgeois society and the antagonism between labor and capital.

Chronic Unemployment at a Time of the Overaccumulation of Capital as a Manifestation of Decay and Parasitism

The proposition of the draft new version of the CPSU Program that under the conditions of the general crisis of capitalism "its historical doom becomes increasingly obvious" ensues from the Marxist-Leninist teaching on the decay and parasitism of the last exploiter system.

In the investigation of the intrinsic contradictions of the tendency of the average profit norm to decline K. Marx pointed to the mutually conditioned coexistence of a relative surplus of capital given a "surplus" working (unemployed) population: "...They are both at opposite poles: on the one hand unemployed capital, on the other, the unemployed worker population."* The author of "Das Kapital" saw this contradiction which periodically arises as the historical limit and narrowness of the bourgeois mode of production.

V.I. Lenin determined the even narrower boundary of capitalist production in the monopoly phase. Inasmuch as, given certain conditions, the monopoly amalgamations of capital have the possibility of choice of ways of increasing the norm and mass of profit—either jacking up prices while creating a market shortage or lowering costs given the mass manufacture of products—the regularity of the employment of all capital and manpower becomes irregular, regardless even of crises of overproduction. Whence the interweaving of two connected, but not identical trends toward decay (given the monopolies' deceleration of technical progress for the sake of the growth of prices) and toward parasitism (of the monopolies given their introduction of new technology reducing the cost of their products)—trends of which sometimes one, sometimes the other gains the ascendancy.

The new version of the CPSU Program calls attention primarily to such a chronic ailment of contemporary decaying capitalism as mass unemployment. This is not fortuitous. Having doubled between the start and the middle of the 1970's, the army of unemployed doubled once again in the first half of the 1980's, having passed 30 million. In 1985 the numbers of unemployed here constituted (estimate) approximately 8.4 million in the United States, 3.2 million in Great Britain, 2.4 million in France, 2.4 million in Italy, 2.3 million in the FRG and 1.5 million in Japan.

^{*} K. Marx and F. Engels, "Works," vol 25, pt I, p 275.

The unprecedented growth of unemployment has given rise to pessimism in official circles of the capitalist world. The annual report of the International Labor office observed that the social and labor situation had deteriorated in many regions of the world since the mid-1970's. Unemployment and partial employment have reached a high level.*

The expansion of the army of "surplus" people is connected with the capitalist application of the achievements of the S&T revolution. The picture is truly the height of paradox. Initially (1950-1960) the introduction of the discoveries of the S&T revolution was manifested in the formation of large masses of trained manpower. New professions were summoned into being, and there was a corresponding increase in demand for them. "The mechanism of exploitation became more complex, more refined. Ever increasing profit is being squeezed from the qualifications, intellectual powers and nervous energy of the workmen," the draft new version of the CPSU Program observes.

The question of the extent to which contemporary capitalism has managed to put to service the achievements of the S&T revolution arises in full magnitude here. After all, it was only initially that the S&T revolution revealed itself to the monopolies as a "golden vein," given the creation of the objective possitility of mass exploitation of trained and qualified manpower. It was ascertained subsequently that the formation of a workman armed with knowledge and the rise in his educational level objectively lead to the growth of his self-cognition and self-awareness--class and political. A quest urged on by both economic and political motives for, if not a deceleration, in any event, a turning aside of the S&T revolution from the direction dangerous to the foundations of the capitalist system began. Although capitalism found certain potential in this reorientation of the S&T revolution even here.

"Suddenly" (as of the mid-1970's) the introduction of the S&T revolution in the capitalist economy effected an abrupt turnabout. The main thing henceforward would be the saturation of enterprises not with masses of trained workers and employees with new skills but robots, microprocessors, PC's and other "devourers" of the jobs of brain workers. Capitalism had already acquired mass unemployment unprecedented not only in terms of numbers but also in educational level. Speaking of the grim social consequences of capitalist manipulation of the directions of the S&T revolution, the draft new version of the CPSU Program observes: "The millions of working people kicked out of the enterprise gate are condemned to professional disqualification and material deprivation and are losing all confidence in the future. A considerable proportion of t! youth which has received an education can find no application for its powers and knowledge and is suffering from the hopelessness of its position."

This conclusion not only characterizes exceptionally eloquently capitalism in the grip of general crisis but knocks the ground from under the inventions of bourgeois ideologists. After all, it is not two decades since the time when

^{*} See "Le travail dans le monde," Vol 2, BIT, Geneva, 1985, p III.

virtually the most prominent of them, J. Galbraith, proclaimed: "...There can be no doubt that there will be a rising proportion of persons who have not acquired an education among the unemployed."* The facts testify to the opposite trend. Thus from 1960 through 1981 the proportion of blue-collar workers among the unemployed in the United States declined from 53 to 44 percent, and, furthermore, the proportion of semiskilled workers among those laid off declined from 27 to 18 percent and of unskilled workers from 13 to 10 percent. The proportion of white-collar workers among those who lost their jobs increased from 20 to 27 percent.

Since skilled workers and employees constitute an increasingly significant proportion of the gainfully employed population the offensive against them is being conducted by the monopolies on a broad front. If new technology leads to a significant growth of labor productivity both in the sphere of production and in the services sphere, in this case there will be no sector left which could use the emerging surplus manpower.

This increase in the army of "surplus" people is by no means being accompanied by a corresponding extension of the system of unemployment compensation. At the start of the 1980's over 10 percent of unemployed Americans and Canadians, more than 40 percent in France and approximately 50 percent in Italy and Japan were receiving no assistance. And assistance itself covers little more than two-thirds of the wage in Japan and the FRG, 43 percent in France and little more than one-third in the United States.** Having discovered that the S&T revolution demands of the labor force a hitherto unprecedented ability to apply fundamental knowledge and analyze and make decisions, capital then discovered that the S&T revolution itself at its "computer" stage creates the prerequisites for ejecting workers trained for intricate work. As a result unemployment is not being resorbed even in elevated phases of a cycle. This new regularity is characterized in the draft new version of the program: "Mass unemployment continues given any economic conditions, and the real prospects of its further growth are fraught with the most serious upheavals for capitalism as a social system." Consequently, the chronic mass unemployment arising in the process of capitalist accumulation under the S&T revolution is creating an expanding base for the strengthening of an anticapitalist mentality and ideology.

** See "High Unemployment," OECD, Paris, 1984, pp 28, 29.

^{*} J. Galbraith, "The New Industrial Society," Moscow, 1969, p 291. The growth of the proportion of trained and skilled workmen among the unemployed refutes the arguments concerning the alleged leveling of the employed in a lowest-level process. Thus the authors of the monograph "Degradation of Work?" declare without substantiation that as a result of the degradation of labor operations and skills "the working class is starting to be immeasurably more homogeneous than Marx and Engels proclaimed in the 'Communist Manifesto'." But also invalid are the arguments of those who proclaim that an opportunity is opening up for all workers of transition to the elite of highly skilled "gold-collar workers".

Understandably, the swelling of the multimillion-strong army of relative overpopulation, like any other process of the accumulation of the contradictions of the general crisis of capitalism, cannot be rectilinear and unidimensional. It cannot be ruled out that in the subsequent undoubtedly increasingly contradictory enlistment of the achievements of the S&T revolution in the production of surplus value moments of an acute shortage of the best trained and specifically qualified workmen and, consequently, a reanimation of the "full employment" myths could arise. But capital is preparing in good time for such changes in conditions. And the theory of the so-called "triple revolution," which is aimed at "maximizing unemployment" for the sake of advance pressure on wage labor, is past the bloom of youth.

Finally, it should not be forgotten that the processes of the movement of unemployment in the citadels of capital are formed against a background of the dynamics of relative overpopulation in the former colonies, where approximately 500 million of them are deprived of any means of subsistence whatever.

Let us turn to another question of capitalism's manifestation of its incape ity for the full productive use of accumulated capital--overaccumulation. Whereas earlier a "surplus of capital" was revealed periodically and predominantly in the form of the "overproduction" of commodity masses, now the main burden of "overaccumulation" of capital is shifting to the production sphere and is being expressed predominantly in the chronic underloading of production capacity given the growing "excessiveness" of monetary accumulation and commodity "overproduction". In addition, the increasingly frequent deviations of a considerable proportion (up to one-third) of the production machinery in a phase of cyclical crises are being supplemented by the nonuse of capacity by virtue of structural shakings of the capitalist economy. As the draft new version of the CPSU Program observes: "The intrinsic instability of the economy is increasing, which is being expressed in a slowing of its overall growth rate and the interweaving and intensification of cyclical and structural crises." Thus owing to the underloading of production capacity in the United States \$113 billion of benefits were lost in 1969-1972, and during the recessions and depressions of the 1970's-start of the 1980's these losses reached \$284 billion.*

However, a "surplus" of capital under current conditions is revealed not only when it is inactive, that is, is disconnected in a growing mass from real capital formation. Even when capital actively participates in real accumulation, an increasingly large part thereof is spent manifestly unproductively. The speculative spiraling of the "cost" of deals at the time of the merger of companies is becoming the "charge," as it were, for the real concentration of production. Following the 1980-1982 crisis the wave of production concentration in the United States assumed such giant force that it brought about an unprecedented stimulation of amalgamations and mergers. A "peak" situation took shape whereby almost the sole guarantee of corporations' preservation of independence were mass acquisitions of new firms.

^{*} See S. Bowles, D. Gordon, T. Weisskopff, "Beyond the Waste Land," New York, 1984, p X.

The financing of mergers for the sake of survival was expressed in the diversion of gigantic resources from productive use. In the period 1981-1984 aggregate mergers in the United States amounted to \$350 billion, and this was equal to almost one-third of production capital investments realized by nonfinance corporations in the said period of time (and, furthermore, in 1984 the proportion of this "rescue payment" amounted to 45.5 percent of production investments or \$140 billion).

The big shots of the stock markets are attempting to subordinate to parasitical stock market speculation the long urgent need for a rebuilding of economic complexes and the concentration of the management of economic facilitiesunits based on interfacility relations. As a result of a lengthy period of slack stock market conditions shares are valued considerably below actual assets. True, the price of shares is rising and, according to the Standard and Poor's index, was in 1984 some 62.6 percent higher than the "peak" level of 1968. But with regard for inflation the same 1994 index was 40 percent below the 1968 indicator, and from 1969 through 1982 here the decline in the index was gradual, but in the comparatively favorable years of 1983-1984 the index reached only the readings of the mid-1970's. There has been considerable decline in the actual price of securities in West Europe also. Such sharp falls cannot be explained merely by inflation. An appreciable role is being performed by the deformation of financial flows brought about by the need to cover budget deficits. In the United States alone in the period 1981-1984 the authorities (including local authorities) diverted from the loan capital market 43.6 percent of total resources.

The real danger of financial speculation is being recognized increasingly as the structure of its formation on the basis of the swelling of the general debt is showing through increasingly distinctly. By mid-1985 the debts of the American state and corporations and also consumer credit debt constituted over \$7.1 trillion and were approximately double the sum total of GNP.* A "doubling of the shadow," as it were, is taking place. Not only the "shadow" of real capital—fictional capital—is growing. It also, in turn, is casting a "shadow," when the right to buy and sell this security or the other (as options and futures) is itself becoming the subject of deals on the stock markets. Fictitious capital has become doubly fictitious.

As a result of the growth of debt and the unchecked speculative excitement the capital markets have become a "credit minefield". Financial circles are uneasily awaiting the outcome--now even a return to stagflation is being portrayed as the least painful way out of the present situation.

Nonetheless, it is not a question of an attack of market jitters--what we have is a more fundamental contradiction at which the "civilization of acquisition" has arrived.

The times are far off when the bourgeoisie enthusiastically assimilated the scientific methods of "making money" taught it by A. Smith. The present "Adam Smith" (the pseudonym of D. Goodman--present-day chronicler of Wall Street)

^{*} See BUSINESS WEEK, 16 September 1985, p 55.

prophesies that "making money" will soon not seem the "most noble" business. D. Goodman is counting on the "nobility" of the moneybags and a sense of proportion in respect of accumulations of what has no limits. Yet another utopia!

Bankruptcy of the Ideal Form of Bourgeois Wealth

If we switch from the deep-lying processes of the bourgeois mode of production to the question of the system of mutual relations of the capitalist world economy, the general crisis of this system is ascertained in reality.

Among the chronic ailments of capitalism in the grip of general crisis the new version of the CPSU Program puts with complete justification, together with mass unemployment, inflation, budget deficits and the national debt and speaks of the gigantic debt of the developing states.

The crisis of the currency-finance sphere—the "atmosphere" of the ready-money civilization—is having a dispiriting effect on its apologists. It is absurd to extol the gold standard of the last century. But denying the efficacy of its mechanism is no less absurd: after all, this was not historical chance but the natural result of the long history of monetary circulation and the logical result of the development of money and its functions, primarily world money.

K. Marx showed that it is in foreign trade that commodities develop their value universally and, consequently, demand for its expression not local monetary forms but a general, physical form which has directly expressed under capitalism the expenditure of human labor in general. Standard bars of noble metals embodied this abstract human labor and bourgeois wealth, regardless of national-state divisions. And specific functions of this—world—money appeared: general means of payment, general purchasing means and means of absolute (under capitalism) social materialization of wealth in general.

However, the "golden age" of currency relations was by no means conflict-free either. "The countries of developed bourgeois production limit treasures amassed in bank holdings to the necessary minimum for their specific functions," K. Marx observed, adding the proviso: "These different functions may come into dangerous conflict among themselves as soon as they are joined by the function of serving as a fund catering for the exchange of banknotes."*

Fear in the face of increasingly serious manifestations of competition between the functions of money prompted the bourgeois state to tie up in reserve repositories masses of gold far in excess of the need to exchange the yellow metal for paper money. At the same time the exchange of banknotes for gold coins and, subsequently, bullion also was gradually restricted or actually canceled. This should seemingly have spared capitalism the possibility of the sudden presentation of tokens of value for exchange into their real embodiment. But it was precisely the struggle to store bars of the yellow metal and the actual denial of the reversibility of paper money and credit instruments into gold which were the harbingers of the general crisis of the capitalist economy

^{*} K. Marx and F. Engels, "Works," vol 23, p 156.

back on the eve of WWI. Having noted the universal rise in prices, inflation and the failure of the international credit system, V.I. Lenin observed in 1920: "...The 'mechanics' of the world capitalist economy are disintegrating entirely."*

The disintegration of the hierarchy of the credit-finance relations which were established as a result of WWI is expressed in the successive conversion of the gold-coin standard into the gold-bullion, then the gold-draft and, finally, the dollar-draft standard. The driving force of the reembodiments was the increased unevenness of the economic and political development of countries within the capitalist system, which became, as the new version of the CPSU Program observes, a characteristic feature of the intensification of the general crisis of capitalism.

The objective prerequisite of the new bout of exacerbation of interimperialist contradictions on capitalism's world-economic scene was the "cohesion" (for a short time) of international economic and political relations around American imperialism. Based on the concentration of U.S. capital's control of half of world production, one-third of international trade and three-fourths of the reserves of the yellow metal produced by all countries the idea, which was seen as logical and opportune, but which rapidly proved absurd, concerning elevation of American money to the level of world money with its inherent functions was born.

International finance capital hoped to rely on the surrogate dollar-draft, that is, paper, standard for turning the entire capitalist system of credit, payments and currency relations into some crisis-free, accounting-technical state for a long time, if not forever. Gold itself was slighted by the "oracles" headed by J. Keynes as a "barbaric survival".

But precisely owing to the fact that capitalism hoped to fundamentally expel the yellow metal from the channels of international market turnover, the inevitability of a kind of abridged, but real resurrection of gold in its world-money functions has grown. In addition, it is a question not of the undermining of some function but of the bankruptcy of the very principle of the materialization of wealth in general in a single entity, in the undermining of the very foundation of capitalism—this general form of commodity production. True, the undermining of commodity production by the principles of incomplete—monopoly and state—monopoly—plan conformity could not have failed to have been reflected, but an attempt at revenge on the part of the yellow metal has been manifested repeatedly. Time and again the reserve of capitalism has proven a source of upheavals. After all, capitalism attempted to rid itself of the monopoly of the yellow metal as the function of world money with the aid of international socialization (internationalization of production). But this force is working against capitalism.

The monetary unit of a single country--the U.S. dollar--was immediately beaten down for a short time by high prices within and the balance of payments deficit without caused by the United States' gamble on a growth of military spending

^{*} V.I. Lenin, "Complete Works," vol 41, p 223.

and unchecked foreign expansion. And no force could have halted the action of the law of the unevenness of capitalism's development which led to the formation of one further center of imperialism in West Europe.

Its emergence was based on the restoration of the West European countries' production potential and the growth of reciprocal trade ties. This evoked American investors' interest in an exchange of their currency—the dollar—for West European currencies given a reduction in West Europe's demand for the paper representative of the metal. In view of the accumulation of dollar bank deposits outside of the United States, their owners threw "hot money" at the gold market. Inasmuch, however, as the metal's market price was higher than its official exchange rate the dollar was supported continuously by sales of gold from U.S. Treasury reserves. As of 1961 the participants in the "gold pool" attempted to maintain the market price of gold in dollars at an official level. But the fear of the inevitable loss of part of the gold under the pressure of private hoarders led to the disintegration of the "gold pool" (1968) and the refusal of the United States itself to exchange overseas dollar liabilities (1971) for gold at the current official price in the United States.

The final collapse of the Bretton Woods currency system of world capitalism and its replacement by a new payment-credit international mechanism even more divorced from gold pertain to the first half of the 1970's. A period of the unchecked growth of the international debt of an overwhelming number of partners in the capitalist world market, particularly from the developing countries, began at this time. "Taking advantage of the economic and technological dependence and unequal position of the emergent countries in the world capitalist economy, imperialism is exploiting them mercilessly, exacting a multibillion-dollar tribute which is exhausting these states' economy," the draft new version of the CPSU Program observes. The lion's share of this tribute is being appropriated by the West's transnational industrial and banking monopolies. And whereas these transnational corporations do not shun local currencies for financing their affiliates spread over all continents, these monopolies prefer as the proceeds for the goods and loans which they impose hard currency. So that the developing states, enmeshed in growing debts, are barely managing to get hold of the latest loan, which is insufficient for paying off earlier debts.

It is evidently a question not of the disorder merely of the credit-finance sphere of world capitalism but of upheavals in the most deep-lying foundations of the capitalist commodity economy.

On the one hand the capitalist states proclaimed the "demonetization" of gold (believing that they had succeeded in "demetallizing," so to speak, the world money). Understandably, the undermining of commodity production by the principles of incomplete (monopoly and state-monopoly) plan-conformity and socialization, which was revealed long since, rid business turnover of the presence of world money in its gold embodiment. On the other hand, the capitalist states and banking octopuses are in no hurry to part with gold reserves.

In words gold is cursed, but in practice loyalty to the yellow metal as the general absolute materialization of capitalist wealth is maintained. But even

R. Triffin, one of the West's "currency" authorities, acknowledges: "There is no more absurd method of squandering human resources than digging for gold in certain parts of the world and then storing it in other deep shelters dug out for it specially and specially guarded."

The increasingly frequent "gold rushes" are threatening to develop into one protracted fit. The price leaps testify to the growing thirst for the metal on the part of the present bourgeois. The special position of gold in the era of the intensification of the general crisis of capitalism is that capital is incapable of parting even with the small quantity of the social wealth accumulated by its (and, seeming to it, general) embodiment.

And how are the underground tremors and explosions being manifested in the sociopolitical and ideological-moral superstructures of bourgeois society?

Inasmuch as the general crisis of capitalism is a descent from the stage of history of the class of the reactionary imperialist bourgeoisie and the ascent of the revolutionary working class attention is attracted primarily to the conclusion that "THE MAIN REVOLUTIONARY CLASS OF THE MODERN ERA WAS AND REMAINS THE WORKING CLASS. In the capitalist world it is the main force fighting for the overthrow of the exploiter system and the building of the new society." The fundamental interests of the proletariat make an urgent necessity the unity of the workers movement and the joint actions of all its detachments.

Progressive mankind sees as the vanguard of the workers movement and all forces of the world revolutionary process the international communist movement. The revolutionary parties of the working class are guided by the scientific theory of Marxism-Leninism and conviction of the historical inevitability of the replacement of capitalism by socialism. The strength of the revolutionary parties is that they firmly champion the rights and vital aspirations of the working people, point the ways out of the crisis state of society, put forward a real alternative to the exploiter system and provide answers imbued with social optimism to the fundamental questions of the present day.

Having increased the emphasis on the invigoration of the initiative of private capital in the economy, in policy the imperialist states have gambled on the most reactionary strata of society and resorted to a violation of bourgeois democracy and the subversion of its institutions, political blackmail, repression, terror and punitive actions. Neofascism and military-tyrannical dictatorial regimes are being released increasingly actively onto the political scene. The wave of so-called neoconservatism is rising ever higher in the capitalist world, and types blindly serving the military-industrial complex and obscurantism are easily burrowing through to the highest state office.

Finally, the most important thing in the political danger of capitalism and its state-monopoly "superstructure"—imperialism—is the fact that it is not only guilty of two world wars but is threatening mankind with yet a third. Preparing for it, imperialism is putting at the service of the creation of weapons of monstrous destructive power the achivements of the human genius. This means a threat of the destruction of all world civilization. This is the dangerous brink to which mankind has been brought by capitalism's endeavors at "social revanche" on a world scale. But as the draft new version of the program

emphasizes, "THERE IS NO FATAL INEVITABILITY OF WORLD WAR." Granted all its unevenness, complexity and contradictoriness, mankind's movement from capitalism toward socialism and communism is irresistible.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

ROLE OF DEVELOPING STATES IN INTERNATIONAL AFFAIRS EVALUATED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 60-72

[Article by G. Kim, corresponding member of the USSR Academy of Sciences: "Developing Countries in the Contemporary World"]

[Excerpts] The increased role in the modern world of states that in the recent past were colonies or semicolonies of imperialism is a phenomenon that no one can deny. The draft new edition of the CPSU program says: "In determining policy toward former colonial and semicolonial countries, the CPSU proceeds from the fact that the entry of formerly enslaved peoples on the path of independence, the emergence of dozens of new states, and their increased importance in world politics and the world economy is one of the distinguishing features of the contemporary age." We will examine this thesis in more detail.

I

The process of the increased role of liberated countries in the world economy, like a snowball that gradually grows and suddenly turns into an avalanche, has become particularly visible in the first half of the last decade. crisis, which had been brewing for years, of unequal relations between developing states and the imperialist powers whose economic growth for many years was based largely on deliveries of cheap raw materials and fuel from Asian, African, and Latin American countries manifested itself in a "revolution of world oil prices," followed by a whole series of shocks to the world capitalist economy. The structural crises (energy, raw materials, ecological, and currency-financial) that broke out in this period showed the increased interdependence of the various spheres of the world capitalist economy. Under the conditions of the outbreak of the energy-raw materials crisis in the West, "a shift in advantages and a change in the correlation of forces in favor of developing countries" was discussed.* The further course of events showed, however, that the place of liberated states in contemporary international politics is determined not only by their position in the world economic system, but also ultimately to an ever increasing extent by their role in anti-imperialist struggle and the world revolutionary process.

^{*} FOREIGN AFFAIRS, No 1, 1974, p 143.

As is known, a new phase in economic relations between developing countries and imperialism began in the seventies. Liberated countries turned from separate, uncoordinated acts to collective anti-imperialist action, from separate, individual concessions—to demands for restructuring the entire system of unequal international economic relations.

In the first half of the eighties a definite shift of emphasis occurred in the struggle of developing countries to restructure international economic relations. In connection with the enormous exacerbation of the problem of the foreign debt of liberated states, whose sum at the beginning of 1984 (taking into account short-term obligations) reached \$810 billion and has now exceeded \$1 trillion, precisely this problem moved to the center of the economic confrontation between developing countries and imperialism. On the experience of the seventies, the major debtor countries advanced important initiatives to draw up a coordinated platform in the struggle against their creditors—the imperialist powers. At a meeting of representatives of Latin American and Caribbean debtor countries in August 1985 in Cuba, it was proposed to limit the amount of payments on debts, and the activities of the IMF were sharply criticized. Documents of the meeting contained an appeal to refuse payments on the crushing debt.

As far back as the seventies the foreign policy activity of liberated states allowed them to occupy a prominent place in world development, which was noted in the documents of the 25th CPSU Congress. The growth in prestige of the young states was shown by their activities in the United Nations and its specialized institutions and in the increased role of a number of governmental and nongovernmental international and regional organizations of developing countries such as the OAU, OPEC, AAPSO, and others. It is also reflected in the strengthening of the influence of the nonaligned movement in the world arena.

This major international movement includes two-thirds of the world's states. The nonaligned countries have chosen various paths of social-political development. However, as noted at the 26th CPSU Congress, this movement on the whole remains "an important factor in international relations" directed "against imperialism and colonialism and against war and aggression." The seventh conference of the nonaligned movement demonstrated the increased cohesion of Asian, African, and Latin American states on the basis of the common political slogans of the struggle against imperialism, colonialism, neocolonialism, apartheid, and racism.

Characterizing the most essential aspects of differentiating liberated countries, contemporary Marxist-Leninist science came to the important conclusion formulated by the 26th CPSU Congress: "These countries are very different. Some of them followed the revolutionary-democratic path after liberation. Capitalist attitudes were established in others. Some pursue a genuinely independent policy, others follow the lead of imperialist policy." All of this affects the general arrangement of world forces and leads to the fact that the place and role of individual countries and various sections of the liberation movement in the world revolutionary process are quite different. There are essential modifications in the very nature of revolutionary processes in these countries.

The liberation struggle of peoples against imperialism is characterized by a deeper, more purposeful social content than the "classical" anticolonial revolutions of the forties, fifties, and part of the sixties. Moreover, national and social dialectics themselves appear to be different: if in the period of struggle against colonizers the major social tasks were concentrated in striving to achieve political sovereignty, the growing class struggle is now becoming a means of also solving national problems. The successful completion of political national-liberation revolutions in most Afro-Asian countries has "opened a new phase of the social development of these countries, a phase of social revolutions..."* In the contemporary age, an age of transition from capitalism to socialism and communism, for the first time under the conditions of global confrontation between the two world systems liberated states have an alternative to capitalist modernization, an opportunity to choose and orient social development in a different, anticapitalist, that is, socialist direction.

There are now about 20 states in the developing world that orient the processes of their social modernization to a socialist perspective. Despite the objective complexity and certain discrepancies in developing within the framework of socialist orientation, it has become established as one of the prospective models of the transition of former colonial and semicolonial countries to socialism.

The appearance of, one can say, a qualitatively new group of states orienting themselves to socialism is a graphic manifestation of the further intensification of the social essence of national-liberation revolutions at the contemporary stage. In countries such as Angola, the People's Republic of the Congo, Ethiopia, and a number of others, national-democratic revolutions in certain of their aspects are developing into popular-democratic revolutions. The ruling revolutionary-democratic forces, which are organizationally developing into vanguard parties of working people, are frankly stating that their world view and the ideologies of scientific socialism are inseparably linked, and are drawing up their party programs on the basis of the fundamental precepts of Marxist-Leninist theory.

Revolutionary democrats who are structuring their activities on the principles of Marxism-Leninism have already accumulated valuable practice experience in the struggle to create the necessary material-technical, social-political, and ideological prerequisites for a transition to the stage of socialist construction, which has graphically shown the danger of attempts to "accelerate" revolutionary transformations that are unjustified by objective conditions. A scientifically based, careful, and consistent policy by revolutionary democracy's left wing promotes the consolidation of socialist orientation.

The presence in the world arena of socialistically oriented countries as a stable historical phenomenon in itself represents an important factor in developing the world revolutionary process. For this means the tapering of the spheres of development of capitalist attitudes, and thereby ultimately promotes

^{* &}quot;The East: The Threshold of the Eighties": Moscow, 1983, p 124.

a change in the correlation of forces of the two systems in favor of socialism. In the first place this applies to the sociolistically oriented countries where vanguard parties of a socialist orientation have developed. And the point is not only that these young states are seeking to eliminate capitalist attitudes during their national development and conducting consistently anti-imperialist policies in the international arena. The attitudes established by them of class solidarity and cooperation with the world socialist system, the progressive forces of developed capitalist states, and all forces of peace and social progress promotes the expansion and strengthening of the struggle of peoples against imperialism and for democracy and social progress. That is why the draft new edition of the CPSU program characterizes the theory and practice of socialist orientation as a "phenomenon of great historical significance."

IV

Examining the many levels of the role of bilateral countries in the world revolutionary process under the conditions of their growing differentiation, and noting that socialistically oriented countries are a natural reserve of world socialism, we also want to answer the question whether it can be considered "by analogy" that the currently numerically predominant states developing along the capitalist path represent a factor strengthening world capitalism.

The answer to this question cannot be simple, let alone uniform.

First, as it was shown before, differences remain between these states (with all the various foreign policy positions of their ruling circles) and imperialism, which cannot be solved by partial concessions or reforms because the fundamental national interests of liberated countries are objectively in sharp conflict with the entire system of imperialist domination and exploitation. Because of this, the overwhelming majority of the countries mentioned are more or less active participants in anti-imperialist struggle.

Second, capitalist modernization itself in liberated countries, as a rule, is accompanied by a profound crisis of social structures, whose solution with the help of bourgeois-reformist methods is greatly hampered for both subjective and objective reasons. Two kinds of conflicts-between national capitalist forms and structures connected with neocolonialism on one hand; and on the other, between developing capitalism and precapitalist social structures-that operate simultaneously and mutually exacerbate each other "strengthen the possibility of a revolutionary alternative."*

Inequality and disparity of economic and social development sharply increase along the paths of capitalism--conflicts between city and rural areas, contrasts between rapid and chaotic urbanization, "the enclavelike characteristic" of the contemporary national economic sector, and differences in assets. One can even talk about a relative deterioration in the social position of major masses of the population in many developing countries, particularly if one takes into account "attendant" circumstances and factors such as hypertrophied

^{* &}quot;The East: The Threshold of the Eighties": Moscow, 1983, p 203.

demographic growth, the energy crisis, as well as a very important subjective aspect such as the "demonstration effect," which significantly exacerbate the disparity between the desirable and the real and what is said and done. It is not surprising that social-class confrontation in liberated countries is clearly intensifying under these conditions.

It does not follow from what has been said that capitalism has no prospects in the developing world. Facts cannot be ignored, and they show that the majority of liberated states are spontaneously or consciously pursuing the capitalist path. But the nature of belated capitalist development in developing countries is such that it is being implemented at the expense of the overwhelming majority of the population, when only elite sections can utilize the fruits of development and when social contrasts are actually exacerbated.

Many political and public figures in African and Asian states are well aware of this phenomenon. For instance, a number of prominent Indian political scientists and editors of major newspapers predicted as far back as 1980 that social struggle in the country would sharply intensify in the coming decades, which would, in their opinion, be expressed in the growth of protest movements "from below" and in future restructuring of economic structures.* Regardless of whether these forecasts turn out to be real, they testify to the urgency of social problems facing many developing countries, if not the enormous majority of them.

Real life in liberated countries convincingly proves that accomplishing tasks of general state significance, including the national issue, is impossible today without solving social problems. If previously, national governments that had assumed power after the expulsion of colonizers could still effectively operate under the slogans of "national unity," "class peace," or denying any existing social-class differences in society, it is extremely clear now that genuine nationwide unity is possible and attainable only on the basis of meeting the interests of the overwhelming majority of the population; that is, primarly sections of working people. The national issue, therefore, is ever increasingly gaining social class features. Public opinion in countries of capitalist development is increasingly persistent in demanding democratic reform, a redistribution of the national income in favor of the unfortunate, and the unification of various movements and groups fighting for the rights of working people.

Another characteristic is the increasing attraction of national cultural heritage and national traditions—an attraction that, as a rule is connected with the solution of vital social problems. Increasing social and political shocks in developing countries with a capitalist orientation and the increase in the number of states with a socialist orientation are obvious testimony to the fact that the framework of capitalism is too narrow to accomplish the vital tasks of contemporary national—liberation revolutions. Hence springs the growing attraction of the broad masses to the ideas and slogans of socialism. All these are indications of the intensification of the

^{*} See "The Dangerous Decade. A Symposium on the Challenge of the Eighties" "Seminar," New Delhi, September 1980.

revolutionary process in the developing world and indicators of the continuing progress from national to social liberation.

Of course, the prospects for the revolutionary process in developing countries are very different and are determined largely by the forms and methods of the capitalist modernization carried out, the depth and scale of crises, and the correlation of the two mentioned types of conflicts. Thus, in states with a bourgeois parliamentary structure (India, Sri Lanka, Malaysia, and others), the general intensification of social tension is expressed in the intensification of the struggle of the most varied sections of the working people—the workers' class, the poor peasants, a significant section of the middle classes, and the urban semiproletarian lower classes. Here various political parties, militant trade unions, and other public organizations have a prominent role in mobilizing the masses.

Crises in states with reactionary monarchist regimes trying to achieve a "breakthrough" to state-monopoly capitalism by spasmodically accelerating bourgeois reforms, as, for instance, the Iranian experience has shown, can develop into anti-imperialist and popular revolutions in which the masses of intermediate social classes play a basic role. In places where military-bureaucratic regimes are in power, conflicts between the ruling bosses and the popular masses are manifested in mass outbreaks of discontent and antigovernment demonstrations by students and the urban lower classes (South Korea, Pakistan, and others).

At the same time, under the conditions of a significant influence of nonproletarian ideology among populations in liberated states, advanced forces by no means always manage to direct spontaneous popular protest movements into a progressive track. Various conservative and reactionary forces often use the discontent of the masses for their own aims. At the same time, social-political changes in recent years have led to a further intensification of the struggle of working people for their vital interests and the emergence of new forms unifying progressive and democratic forces and strengthening their political influence.

The establishment of bourgeois attitudes in a number of liberated states thereby on no account provides capitalism with a "second wind." Under conditions of the transition from capitalism to socialism and communism on a global scale and the intensification of a general crisis of capitalism, developing countries are not only not appearing as factors of its "rejuvenation" or even strengthening, but are introducing to it new conflicts, complicating and intensifying old ones.

Such is the dialectic of the revolutionary process in the area of national liberation.

Communists are becoming the most consistent revolutionary force in the developing world. Marxists-Leninists, have shown themselves as staunch fighters for national liberation, have gained deserved prestige among the broad popular masses. At the current stage of the liberation struggle communist parties have been given a chalitatively new ideological and political task connected with intensifying the revolutionary process itself and with the possibility of gaining political hegemony in the mass democratic movement.

Forming a modern proletariat and invigorating the workers' movement—all this in an atmosphere of the dissemination of the ideas of scientific socialism creates favorable prerequisites for strengthening the ranks of the communist movement in liberated countries. In the seventies alone the numbers of communists in foreign Asian countries and Africa more than doubled. At the beginning of the eighties 30 communist parties uniting more than 1 million people operated in liberated countries in these continents.*

The figurescited could of course have been even more impressive if it were not for the particularly complex objective conditions for the activities of communist parties in these countries, primarily in states with reactionary proimperialist regimes. Most of the parties are fighting underground and under conditions of systematic repression by ruling circles tryin, to isolate communists from public organizations and the mass sections of working people. Parties operating under legal conditions also run into numerous specific difficulties.

Many problems and misfortunes of communist parties are connected with the features of social and political development under conditions of economic backwardness, the preservation of certain forms of neocolonial dependence, and incomplete class differentiation.

The path of the formation and development of communist parties in former colonies and semicolonies is complicated and conflicting. There have been both major victories and serious defeats along this path. Individual detachments of the communist movement have experienced boom years, others—the bitterness of divisions and deviations from a consistent class policy. However, the experience of past decades has not been in vain. However, the experience of past decades has not been in vain. Marxist—Leninist parties overcoming individual errors and enormous difficulties promote consolidation of ranks and a strengthening of their influence, and help communists to more successfully solve problems put forward by the development of the revolutionary process.

Concrete tasks (as well as the means, forms, and methods of struggle) of communist parties operating in the Afro-Asian world are determined by social-political conditions in individual countries. If communists in states developing along the capitalist path mainly face general democratic tasks, in states of socialist orientation they regard their goal as creating the most favorable conditions for consolidating the gains of progressive power and repulsing the intrigues of internal and foreign reaction seeking to turn back the revolutionary-democratic course. However, everywhere they remain the staunchest and most consistent fighters against imperialism, for social progress and democracy, and against militarism and war.

An essential factor in increasing the influence of liberated countries in the contemporary world is their increasingly active participation, primarily within the framework of the nonaligned movement, in the struggle for issarmament and

^{*} V. Zagladin: "For the Rights of Working People, for Peace and the Security of Peoples," Moscow, 1982, p 19.

preventing the danger of a nuclear war.* The current situation in developing countries is fundamentally different from the one that was characteristic, for instance, for the beginning of the seventies, when illusions were still widespread that the world's problems affected only developed states, primarily the great powers, at a time when liberated countries "had enough of their own problems."

The evolution taking place is the result of the realization by the peoples (and in most cases also the governments) of these countries that a nuclear catastrophe, if it happened, would be of a global nature, and that the aggressive policies of imperialism are aimed at young states. It is also the result of an understanding of the fact that the arms race, which absorbs ever-increasing portions of national budgets, is a serious obstacle to solving the vital socioeconomic and social-political problems of the developing world.

The struggle for peace and international security and against imperialism and its policy of aggression and oppression—on these principled questions the positions of socialist and the overwhelming majority of liberated states are close or concur. "The CPSU," the draft new edition of the party program stresses, "is for the full participation of liberated countries in international affairs and an increase in their contribution to solving very important contemporary problems. The interaction of these countries with socialist states is extremely important to consolidating the independence of peoples, improving international relations, and preserving peace."

CSO: 1816/07a-F

^{*} For more detail see O. Reznikova and Ya. Etinger: "Nonaligned Countries and the Struggle to Remove the Nuclear Danger and Consolidate Peace"--MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OFNOSHENIYA No 2, 1986.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

NORTH EUROPEAN NATO STATES, UNITED STATES OPPOSE NUCLEAR-FREE ZONE

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 73-75

[Article by S. Morgachev: "On the Paths Toward a Nuclear-Free Northern Europe"]

[Text]

The first conference of members of parliament of North European countries on questions of the creation in the region of a zone free of nuclear weapons was held in November 1985 in Copenhagen. The heads of government of Finland and Sweden, K. Sorsa and O. Palme, A. Jorgensen, leader of Denmark's Social Democratic Party, G.H. Brundtland, chairman of Norway's Labor Party, other officials and politicians took part.

As is known, the idea of the creation of such a zone was advanced in 1963 by Finnish President U.K. Kekkonen. It took approximately 20 years for the debate which had arisen in connection with it to move on to the practical plane to a certain extent. In 1981 this question was incorporated for the first time on the official agenda of a meeting of foreign ministers of the northern countries. In 1981 and 1983 the Swedish and Danish parliaments passed resolutions making it incumbent upon their governments to act in the interests of the creation of a nuclear-free zone in the region. A regional parliamentary conference on this problem was now finally a possibility.

The efforts which are being made are assuming an increasingly intensive and meaningful character. They are supported by the overwhelming majority of the population and the antiwar and many other public organizations of the northern countries and are based on such a firm foundation as the absence on their territory of nuclear weapons. However, the policy of Norway, Denmark and Iceland does not preclude but essentially presupposes the appearance in these countries of such weapons in a "crisis situation," which cannot fail to have a far-reaching impact on the actual situation in the region. In other words, North Europe's present actual nuclear-free status is relative. It is a question of consolidating it. How?

The natural and effective solution could be the enshrinement of the region's nuclear-free status on a permanent international-law basis. This would contribute to the increased level of stability, security and trust in the European North and also be of positive significance in a broader plane. At

the present time the main political forces of the North European countries declare their, in principle, positive attitude toward U.K. Kekkonen's idea. It is also supported by the Soviet Union, as a nuclear power which is a potential guarantor of the nuclear-free zone. Thus a quite strong base for further efforts in this direction has taken shape.

But there are still many obstacles, and the most important of these is the negative, obstructionist position of the United States and the NATO leadership. Washington and Brussels (the bloc's headquarters) are unequivocally opposed to the very idea and are using all opportunities for pressure on the northern countries. And, furthermore, certain high-ranking persons like, for example, U.S. Assistant Defense Secretary R. Perle and B. Rogers, commander of NATO armed forces in Europe, have made it the rule to express themselves on this issue in a high-handed and slighting manner, demonstrating disrespect for the cherished hopes and aspirations of millions of North Europeans. At the same time, however, considering the popularity of the idea, U.S. ruling circles are resorting to political maneuvering. Washington is hinting that in the distant future, at a certain stage of a general improvement in East-West relations and given achievement of the appropriate accords in the military sphere, its attitude toward the idea could change.

II

As is known, the North European countries adhere to noncoincident foreign policy courses. Thus Norway, Denmark and Iceland are members of NATO, Sweden pursues a policy of neutrality, "free of alliances," and Finland's foreign policy line is based on the 1948 Friendship, Cooperation and Mutual Assistance Treaty with the Soviet Union. At the same time, however, the North European countries act to a certain extent and on certain questions as a kind of political community inasmuch as the international position of each of them is closely interconnected with the position of the others. Such is the actual political structure which has evolved here under whose conditions the positions of the region's states on specific questions of international politics, including the problem of the creation in North Europe of a nuclear-free zone, are formed.

Experiencing stiff pressure on the part of the United States and NATO, Oslo, Copenhagen and Reykjavík base their policy in respect of a nuclear-free zone on the proposition concerning the linkage of a treaty on its creation with progress in the business of limitation of nuclear arms on the continent and the formation in Europe of a fundamentally different political atmosphere. Whence the wording: "viewing the creation of a nuclear-free zone in North Europe in a broad European interconnection," which figures so frequently in the statements of officials and also social democratic leaders. It is implied that the corresponding agreements may be reached only as part or as a consequence of broader East-West military-political accords.

As far as the position of Helsinki and Stockholm is concerned, it is believed there that the impossibility, in view of the known policy of the NATO countries, of embarking directly on realization of the idea of a nuclear-free North by no means removes preparatory activity from the agenda. An intelligent and promising sphere thereof is considered coordination of the views of thenorthern countries themselves, proceeding in principle from the fact that Norway, Denmark and Iceland are not only NATO members but also belong to the political community which has taken shape in North Europe and which is based, if not on allied ties, on the interlinked character of political destiny. Any paths of such coordination, as far as the appropriate negotiations, are deemed acceptable in the capitals of Finland and Sweden.

Official representatives of Norway, Denmark and Iceland, where bourgeois governments are in office, do not spurn discussion of this question among a number of others, at the highest level included, but reject the possibility of such a discussion being accorded the status of negotiations and a mandate for the formulation of specific accords. Clearly, there is a manifest contradiction between the genuine national security interests of the North European NATO members and their governments' approach to the question of "bloc discipline" precluding for the northern countries the possibility of their own political character. Thus Danish Prime Minister P. Schlouter believes that "we (Danes-S.M.) may debate and analyze the possibilities of the establishment of nuclear-free zones in Europe and a mass of other absorbing subjects only as long as we meet with complete understanding on the part of our NATO partners."

The policy of the governments of Denmark and Norway is being sharply criticized in these countries' social democratic parties. "The government's viewpoint," G.H. Brundtland, in particular, emphasizes, "bears the stamp of a static manner of thought, passiveness and lack of enterprise." The Norwegian Labor Party attaches great significance to the northern countries' joint actions in strengthening the region's nuclear-free status. The same may also be said about Denmark's Social Democratic Party. The positions of North Europe's social democratic parties were reflected in the plan for the creation of regional—intergovernmental and interparliamentary—working groups on the question of a nuclear-free zone advanced in their joint statement on the results of the conference of members of parliament in Copenhagen.

The idea of the immediate unification of efforts in this field and the formulation of a joint platform is highly popular in scholarly circles of the North European states also. It is supported by such authorities in the sphere of political sciences as J.J. Holst, S. Lodgord and M. (Seter) (Norway) and O. Apunen (Finland).

It should be mentioned that North European academic circles have been attempting to seek out new approaches to the idea of a nuclear-free North. A result of this search was the broad understanding of the creation of a nuclear-free zone not as the act of a single moment but as a process—a process of a gradual reduction in the role of nuclear weapons in international politics in the region presupposing movement away from less binding decisions to far-reaching ones. Developing this premise, many top experts—0. Apunen (Finland), J.J. Holst (Norway), A. Myrdal (Sweden) and others—are arriving at the notion that diplomatic, international—law and military measures to strengthen the region's nuclear—free status could, depending on circumstances, be implemented in highly varied forms, combinations and temporary interconnections—and not necessarily those which have been at the center of attention hitherto. This direction of thinking is present at the level of official debate also. Thus

Finnish Foreign Minister P. Vayrynen declared: "If some less binding decision (in the sphere of the international-lawenshrinement of the region's nuclear-free status--S.M.) could prepare the ground for affording guarantees which would impose in full measure certain obligations on the guarantor-states, Finland is prepared to contribute to the preparation of such a decision."

Without losing sight of the ultimate goal--the prospect of a North excluded to the maximum possible extent from nuclear politics--many realistic politicians and scholars in North Europe are paying tribute to the significance of the very process of progress in this matter, as, equally, to the importance of its discussion and the international efforts being made jointly in this direction themselves. Let us turn in this context to Swedish Prime Minister O. Palme's pronouncement: "...The efforts aimed at creating a North European nuclear-free zone are essentially a permanent process, with which we can influence the political climate of our region. In other words, these very efforts are leading to a strengthening of trust.... We northern countries have a right to attempt to make our contribution to the peaceful development of our region and a change in the political climate, which could ultimately help us emerge from the blind alley--I refer to overarmament and military confrontation -- and this is our duty." Government circles of Finland and Sweden emphasize that the delay in broader all-European decisions not only does not preclude but, on the contrary, presupposes a stimulation of efforts in the business of realization of the idea of a nuclear-free North.

Of course, the process of finding the necessary outcomes is difficult inasmuch as it is a question of the interweaving of regional and global—and wrongly understood at times, what is more—interests. But the potential of the forces in the northern countries' political and social circles which actively support the idea of a nuclear—free zone and aspire to the development of the successes which have already been scored in this field is great also.

The Soviet Union welcomes the idea of the consolidation of North Europe's nuclear-free status on a permanent international-law basis and is doing everything within its power to contribute to the creation of the conditions for its realization. It has expressed a readiness to be guarantor of the nuclear-free zone. In addition, it has been emphasized repeatedly at the highest level that the Soviet Union, meeting the wishes of a number of northern countries half-way, is prepared to study the question of certain--appreciable, furthermore--measures with reference to its own territory adjoining the zone and, finally, to discuss with the parties concerned the question of nuclear-free status being imparted to the waters of the Baltic.

M.S. Gorbachev's reply to the appeal of K. Livingstone, leader of the Greater London Council, emphasizes the important place in the struggle to narrow the sphere of nuclear preparations which belongs to measures pertaining to the nonproliferation of nuclear weapons and the creation of nuclear-free zones in various parts of the world. Such zones are regarded by the Soviet leadership as a positive phenomenon of international life reflecting the will of ordinary people to peace, cooperation and detente. The USSR's attitude toward nuclear-free zones makes no exception for any states here, be they

participants or nonparticipants in military alliances. If this country or the other renounces acquisition of nuclear weapons and does not have such on its territory, it can count on firm and effective guarantees of the Soviet Union.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07 SCIENTISTS OF PUGWASH MOVEMENT CALL FOR HALT TO 'STAR WARS'

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 75-77

[Article by V. Ustinov: "Authoritative Voice of Scientists Opposed to 'Star Wars'"]

[Text] Washington's policy aimed at the creation of an antimissile system with space-based components is causing ever increasing concern in the world. There is a strengthening recognition in very broad circles of the world community that the propagandist rhetoric surrounding the "strategic defense initiative" (SDI) conceals an intention to extend the arms race to a new sphere--space--and break up the evolved military-strategic parity. A reflection of this concern was, in particular, the UN General Assembly resolution of 12 December 1985 on the prevention of an arms race in outer space.

An authoritative voice in support of the forces advocating the use of space solely for peaceful purposes was heard from London, where in December 1985 the 47th symposium within the framework of the Pugwash movement of scientists was held, which examined technical and military-political aspects of the creation of strategic antimissile systems, primarily the American SDI program. Fifty prominent representatives of science and public figures from 14 countries-Great Britain, Hungary, Egypt, Italy, Canada, Mexico, the Netherlands, USSR, United States, FRG, France, Czechoslovakia, Switzerland and Sweden-took part in the symposium. The Soviet scientific community was represented by a delegation headed by Academician Ye.P. Velikhov, vice president of the USSR Academy of Sciences.

Particular attention in the course of the discussion was devoted to the potential impact of programs for the creation of space-based antimissile systems on compliance with the commitments ensuing from the American-Soviet 1972 Treaty Limiting ABM Systems (ABM Treaty) and also on other current and future arms control agreements. The possible consequences of West European states' participation in the American SDI program were studied also.

Having analyzed the essence of the problem in detail, the authoritative representatives of world science came to the following disturbing conclusion reflected in the statement of the Pugwash Executive Committee on the results of the symposium: "The world stands on the brink of a concentrated expansion of the nuclear arms race, including the spread of this mortally dangerous

contest to space. This new dimension of the nuclear threat arises from the prospect of ABM systems undermining the ABM Treaty, spurring an unlimited contest in the sphere of offensive and defensive arms on Earth and in space, destroying en route the entire system of existing arms control agreements, increasing the likelihood of nuclear war and unjustifiably squandering the scientific, technological and economic resources of a large part of the industrially developed world."

The participants in the symposium agreed that such a development of events could still be avoided, but little time for its prevention is left. The speakers emphasized that in the current situation what is needed primarily is strict compliance with the AMB Treaty, which bans the development and testing of sea, air, space and mobile ground-based ABM systems and components, and also the strategic ceilings established by the SALT II Treaty. It was noted that compliance with the terms of these treaties constitutes an essential prerequisite of progress in questions of military detente and consolidation and realization of the elements of mutual understanding which have surfaced at the meeting in Geneva. The scientists advocated the speediest implementation of such steps as the banning of the further testing and deployment of antisatellite weapons and an all-embracing ban on nuclear testing.

Many participants in the symposium deemed it necessary to recall that the ABM Treaty between the United States and the USSR recorded the recognition that either party opting for a policy of creating space-based ABM systems would ultimately merely lessen its security, having provoked an unchecked offensive and defensive arms race. This conclusion is based on the obvious vulnerability of such systems to a first strike and, on the other hand, on the dangers of the illusion of impunity born of their deployment. Furthermore, any defensive shields could be overcome by a new generation of offensive weapons and could essentially prompt their creation. This means that mutual vulnerability of the population of the two sides to nuclear attack would remain the basis of strategic restraint. In other words, in response to the claims of the U.S. Administration and other SDI supporters concerning the feasibility and expediency of space-based ABM systems the symposium pointed out unequivocally that from the technical viewpoint the hopes of the possibility of thus escaping from mutual vulnerability are absolutely groundless.

In addition, almost all serious analysts, the meeting observed, agree that even the very narrow goal of partial defense of retaliatory strike forces could be achieved only given a restrained, limited retaliatory response. In other words, special joint arms control measures would be required. However, the participants believe, if such cooperation is possible, it would be far more logical to embark directly and immediately on measures to ease the nuclear confrontation, thereby avoiding tremendous political complications, material costs and, finally, an exacerbation of the threat of general catastrophe. It should be borne in mind here that the deployment of ABM systems with space-based components would lead to such a far-reaching destabilization of the international situation as would almost certainly render impossible any arms control measures whatever.

The statement of the Pugwash Executive Committee points out that the ABM Treaty is clearly in danger. The U.S. Administration is heading toward renunciation thereof or a radical change in its interpretation on the basis of open implementation of strategic defense programs which it prohibits. The United States' alarming activity in the field of the deployment of early warning and tracking electronic systems and also a system of antimissile defense of the territory of the entire country and the development and testing of antisatellite and various types of antimissile weapons is fraught with the threat of circumvention of the limitations established by the treaty.

It was emphasized particularly at the symposium that loss of the ABM Treaty would be a real disaster. It would almost inevitably lead to the destruction of the entire system of arms control agreements, which is fragile enough as it is and a central element of which is the treaty and which has up to now secured a certain minimum of restraint in the nuclear arms buildup. Primarily the SALT II Treaty would progressively lose its significance together with the tremendous quantitative and qualitative growth of nuclear arsenals. Under these conditions the threat of renunciation of compliance with the Moscow Treaty Banning Tests of Nuclear Weapons in the Atmosphere, Outer Space and Under Water (1963) and the Treaty on the Principles of States' Activity in the Exploration and Use of Outer Space (1967) would become real. There would also probably be increased pressure on the Nuclear Nonproliferation Treaty. Further, serious damage would be done to the prospects of the conclusion of new agreements in the disarmament sphere -- a treaty on the complete and general prohibition of nuclear tests and a treaty banning or limiting antisatellite weapons. It would be impossible to avoid an extraordinarily costly and dangerous arms race in space.

The participants in the meeting called for strict observance of the ABM Treaty and the use in this connection of the possibilities of the mechanism of the Soviet-American Permanent Consultative Commission and recommended additional measures in respect of the limitation of antisatellite weapons, emphasizing that tests of such could serve to conceal the creation of space-based ABM defenses. The best solution of the problem would be, as was pointed out, an all-embracing ban on the testing and deployment of antisatellite weapon systems. Such an agreement would be easier to monitor than an agreement permitting limited numbers of such arms.

The statement of the Pugwash Executive Committee reflects the serious concern which exists in connection with the American SDI program in West European public and political circles.

It was emphasized at the London meeting that the SDI program will place in the economic respect also a heavy burden on the United States and its allies which prove to be involved in this project. In the opinion of the participants, the U.S. Administration should recognize this and direct its efforts into the peaceful use of space and the establishment of cooperation with the Soviet Union in this sphere. Such cooperation would strengthen mutual trust and could be of great benefit to all mankind.

The appeal of the authoritative representatives of world science for the prevention of an arms race in space is a serious warning to all who would like to use this new sphere of man's activity for selfish aggressive purposes and to the detriment of terrestrial civilization.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

U.S. POLITICS' NEW CONSERVATISM SEEN AS 'SOCIAL REVANCHISM'

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 116-122

[Article by O. Oleshchuk: "Certain Results of the Policy of 'Social Revanche' in the United States"]

[Text] In the 1980's the U.S. Republican administration has made an abrupt turn to the right in domestic policy. "Social revanche" has been adopted. An offensive against the working people for the purpose not only of warding off their class pressure but also taking back a number of gains and compelling a switch to the defensive has begun. Why has this been possible and to what extent has it been successful?

Prerequisites

Serious changes had taken place in the country in the 1970's, particularly in the latter half. The development of the economy had been interrupted by the most severe 1974-1975 crisis, following which was a long period of economic disorders which were virtually unsusceptible to the therapy of Keynesian anticrisis regulation. An illusion of bourgeois ideologists and politicians concerning the possibility of building in the United States a "welfare state" was dispelled. In addition, the negative consequences of the S&T revolution, like the unprecedented growth of unemployment, were creating new socioeconomic difficulties.

All this led to the discrediting in the eyes of the ruling class of the moderate and reformist political currents, whose representatives were the most ardent disciples and propagandists of anticrisis regulation and the "welfare state". It was they who had predicted the curative influence of the S&T revolution on capitalism (the "post-industrial society" concept and other such theories). Nor could the prestige of these currents have failed to have declined in broad public circles also. The result was a shift to the right in the alignment of political forces determined by the natural growth under these conditions of support in the ruling class for the conservative flank. And the departure of many ordinary Americans from the orientation toward the moderate-reformist circles—whether expressed in absenteeism (more often than not) or a passive following of the right (the conservative electorate had broadened in the 1970's)—contributed to the shift.

However, the strengthening of the influence of the camp of the right alone cannot explain the policy of "social revanche". The increased influence of conservatives and their assumption of office occurred earlier also (in the 1950's, for example), but this did not entail such far-reaching political results.

On this occasion the strengthening of the positions of the right coincided with the emergence of a number of circumstances which had complicated the struggle of the broad masses for their rights and interests. Among these we should put primarily the huge unemployment. As of the mid-1970's it had grown by a factor of almost 2.5 compared with the preceding period. There was a corresponding increase in its negative impact on the working class' capacity for striving for the defense of its economic interests. Simultaneously the position of the unions was complicated. Their influence on their sole "patron" within the framework of the two-party system—the Democrats—weakened. This was connected with the fact that the proportion of organized labor in the total mass of workers has declined to one-fifth, and the unions have thus come to be of less electoral interest to the party.

Finally, the division on questions of social policy increased between the poor and relatively well-paid sections of the working class. Bourgeois propaganda managed to create the impression that benefits for the poor (assistance) were "excessive" and frequently ended up in the hands of those who did not want to work, slackers and so forth. And inasmuch as assistance had been financed to a considerable extent from taxes on the working people of average means certain sentiments emerged in their ranks in favor of a limitation of social assistance, the more so in that galloping inflation had reduced their real earnings, and the desire to alleviate the tax burden had become increasingly strong.

It should not be forgotten that representatives of the most reactionary current in the conservative camp--rightwing Republicans--who thereupon attempted to raise the "social revanche" to the maximum extent possible, assumed office in 1980.

At the same time what has been said does not mean that reaction gained complete freedom of action. The working class and the working people as a whole represented and continue to represent a powerful force, with whose opposition—under whatever conditions—the bourgeoisie in the shape of any of its parties and currents could not help but reckon. The class struggle by no means abated. The strike movement appears impressive. One million workers struck in 1978 (to take only large strikes with more than 1,000 participants), 800,000 in 1980 and 700,000 in 1981 and 1982.* In many trade unions a movement of rank and file members—a campaign to impart militancy to union actions—developed, and this led frequently to class—collaborationist leaders being replaced by stronger defenders of the workers interests.**

^{* &}quot;Statistical Abstract of the United States," 1984, p 441.

^{**} See "Most Recent History of the Workers Movement in the United States. 1965-1980," Moscow, 1983, pp 231-245.

Such rapidly growing detachments of the working class as the working people of the services sphere and office workers became involved in militant forms of class protest.

The negro movement gave reminders of its presence repeatedly. It was not of such a sharp nature as in the preceding decade, but the potentially explosive state of the race problem was obvious. And the "equal opportunity" slogan (that is, the demand not only for legal but also socioeconomic equality with whites) adopted by the majority of negro organizations made for the ruling class far more difficult the task of neutralizing the negro protest by maneuvers and partial concessions.

In the ruling class itself the opponents of the right, although weakened, maintained quite significant positions. Thus the counteroffensive of reformist-"liberals" in the Democratic Party on the eve of the 1980 election (E. Kennedy's struggle for the presidential nomination) was at one time close to success and, in any event, showed that they remain a real force. In Congress, according to observers' estimates, following the Republicans' election victory, approximately half the House and more than one-third of the Senate were "anticonservative".

As a whole, the turn to the right in social policy bore the imprint of the contradictory conditions under which it was effected. This determined its scale, rate and dynamics.

Activity of the Administration in 1981

The Republicans embarked on the "conservative correction" immediately. And, furthermore, they attempted to effect it at once in broad volume. This political haste was caused by a number of considerations. Account was taken of the fact that a victorious president usually initially encounters no strong opposition on the part of the legislators. The White House considered it essential to avail itself of this at once since moderate currents were quite impressively represented in the Congress and a considerable growth of resistance to the rightwing policy could be expected following the elapse of the initial period. There was also the calculation aimed at "pushing" the corresponding proposals through the legislature before opponents of the rightwing course had time to organize themselves and develop mass protest campaigns.

In the draft budget for 1982 fiscal year the government proposed a reduction in the expenditure column of \$48.6 billion mainly at the expense of social spending. Approximately 300 programs, the najority of them intended for aid to the poor, were to be cut.* Congress approved a reduction of \$35.2 billion for 250 programs. But even in such a form this was unprecedented "surgery" on social spending. As the Republican Senator P. Domenici observed, "the most dramatic cutback in current programs in the country's history"** had taken place. How severe was the blow struck at the needy and the poor may be judged by the fact that guaranteed minimum benefits for the neediest were abolished; spending on

^{*} INTERNATIONAL HERALD TRIBUNE, 27 February 1981; 1 March 1981.

^{**} U.S. NEWS AND WORLD REPORT, 6 July 1981, p 29.

Medicare (payment of medical services for the elderly) was cut by \$1.5 billion; 875,000 persons lost their right to food stamps; 700,000 families ceased to receive other assistance; 3 million schoolchildren were deprived of free lunches; 310,000 jobs financed by the government were eliminated.

But things were not confined to this. Other blows followed. Among these was major tax reform. The reduction in income tax for individual taxpayers was effected such that the wealthy gained almost 10 times as much as the poor.

A further blow was struck by "deregulation"—the government's cancellation of a multitude of rules and regulations concerning the conditions of the functioning of business. Some 23,000 pages had been struck out of the collection of enactments by the start of 1982 even. Basically "deregulation" facilitated the activity of capital at the expense of the interests of labor (work safety rules in industry and demands connected with environmental protection were weakened). As the researchers F. Piven and R. Cloward wrote, "the government of conservatives is trying to eliminate the intervention of the authorities in cases where it is effected in the interests of the broad public, but not when it is done for the sake of business."*

A hardline approach to the unions typical of the Republicans became an integral part of rightwing policy. It was not enough that the top executives of the mediation and arbitration authorities were replaced (as is usual for the Republicans when they assume office), avowedly anti-union figures showed up there. From the very outset the White House opposed Congress' enactment of any laws in favor of organized labor.

A direct offensive against the unions began. A number of anti-union bills was supported in Congress (on the "right to work," for example, which prevents unions expanding membership at enterprises; on a reduction in the minimum wage for young workers). The unions were demonstratively intimidated for the purpose of killing in them the desire to resort to strikes. On a number of pretexts (particularly in connection with the well-known air traffic controllers' strike) the government engaged in unprecedented repression.

Apropos the negro problem the White House expressed itself in the spirit that the federal authorities should not be responsible for the position of black Americans and that they should solve their problems by their own powers. This position was tantamount to support for racism inasmuch as the negroes continued to be subjected to discrimination, from the economic sphere through education and housing. The above-mentioned cutback in social spending was also a form of manifestation of racism. It was of a manifestly anti-negro character. After all, the proportion of the poor among black Americans is twice as high as among whites. According to the calculations of the economist R. Lekachman, the cutbacks affected approximately 11 million Americans, 6 million of whom were black. Negro congressmen issued a statement in the spring of 1981 which said that it was precisely the Afro-Americans who would "starve more, freeze

^{*} F. Piven, R. Cloward, "The New Class War," New York, 1982, p 44.

more and be sick more."* The federal authorities in charge of implementing antidiscrimination regulations were "purged" of figures sympathetic to black Americans. The White House altogether appointed very few Afro-American officials. Of the 3,231 appointments requiring White House approval, the latter was extended to only 5 percent—the lowest percentage since the 1950's.**

The government, further, began to strive for realization of the "new federalism" plan, which incorporated a shift of responsibility for many social programs to the states, which was fraught with a reduction in this expenditure, despite the fact that the federal authorities were to make certain subsidies available to the local administrative bodies.

Thus the Republican administration was able at the start of its activity to effect a considerable adjustment of social policy in a rightwing spirit. As G. Hall, general secretary of the Communist Party of the United States, observed, "monopoly capital and the R. Reagan administration are conducting an offensive against the people. The people—the working class—are defending themselves."***

The Republicans employed a number of maneuvers, which initially weakened the resistance of the opposition and of the broad masses also to the rightwing course. One of them consisted of the government "dissolving" social policy in economic policy. Its representatives asserted that many measures in the sphere of the first were subordinate to the goals of economic recovery and the fight against inflation, which, as soon as they were achieved, would help solve many problems of social policy—incomes would rise, unemployment would be absorbed, poverty would be reduced and the material position of black Americans would improve.

For example, the cutback in social spending was portrayed as an anti-inflation measure. Confrontation with the unions was also portrayed as a measure of the fight against inflation (if it were possible to force them to renounce demands for increased wages, this would ease inflation).

The reduction in assistance and the federal authorities' refusal to help black Americans were further justified as a method of "forcing people to work," "increase their enterprise" and "rely more on themselves". R. Reagan also said that the White House had no "social agenda," but there was a general economic recovery program. The American sociologist A. Weber wrote in this connection that the true social policy frequently had to be "unearthed" in the government's economic program.**** Portraying the "conservative correction" as economic "medicine," the government strove to ensure that a considerable proportion of the broad strata were reconciled to it for the time being.

The proposition concerning the possibility of solving social problems solely by economic means made it possible to resort to another maneuver--persuading people to wait for improvements until the upturn.

^{*} TIME, 2 March 1981, p 27.

^{**} U.S. NEWS AND WORLD REPORT, 27 November 1982, p 41.

^{***} POLITICAL AFFAIRS, October 1983, p 4.

^{**** &}quot;The Political Economy of the United States," ed. C. Stoffaes, North Holland, 1982, pp 359-360.

More than any other government, the Republican administration denounced the ineffectiveness of state social regulation in view of the low efficacy of the bureaucracy exercising it, which devoured a large part of the resources allocated for social programs. It may be said that the White House made extraordinary efforts to discredit a considerable proportion of the machinery which it headed. More than 60,000 persons were cut even from the departments dealing with social security. This was simply explained. In undermining confidence in the departments' capacity for implementing measures in the sphere of social security and assistance the government thereby weakened support in the country for the expansion of either. The idea that this was a futile waste of taxpayers' money was instilled in the public.

Finally, one further method which facilitated realization of the rightwing policy-disposing society against the poor. Portraying the poor and unemployed as being mainly responsible for their situation is an old method of bourgeois propaganda, of rightwing propaganda in particular. But never since the war has as much been spoken and written about this as now. The prejudice against the needy in a certain part of more prosperous Americans created by propaganda undoubtedly helped realize the idea of "social revanche".

Struggle Against Government Policy

However, opposition to the government's conservative policy began to grow rapidly, regardless of whatever White House tactical efforts. This was caused primarily by the policy itself. As it was implemented, its negative consequences for a considerable proportion of the population became more apparent, the more so in that the argument concerning the temporary nature of the burdens which it had brought about and their compensation by the promised economic upturn was losing its persuasiveness. The economic situation in 1981 and 1982 had deteriorated compared with election year. Under these conditions the political advantages which R. Reagan had initially possessed as a candidate who had defeated his rivals handsomely also disappeared. The opposition, which had initially appeared confused, felt more confident and became more assertive.

It was the opposition of ordinary Americans, who had suffered from the government's policy to the greatest extent, which increased primarily. In the fall of 1981 even there was a half-million-strong antigovernment demonstration in Washington of representatives of approximately 200 union and public organizations. At the end of this same year an attempt was made to coordinate protest actions throughout the country--there arose the People's Congress Coalition, which united more than 100 different organizations. The creation of national organizations of the unemployed began. A plan to unite all those opposed to the administration's domestic and foreign policy (the movement of unemployed, trade unions, negro organizations and participants in antiwar campaigns) emerged.

An indicator of the growing discontent and militant mood of the working people was the position of the union leadership. Gradually even the avowed conciliators began to talk with the government in sharper language, feeling it impossible to adhere to the previous tone. Whereas at the AFL-CIO Executive Committee session in Bar Harbor (spring of 1981) more or less conciliatory

speeches about the administration had predominated, serious charges were being expressed at the AFL-CIO congress at the end of 1981. In breach of a tradition of many years' standing the President was not even invited to the congress.

Public opinion polls recorded ordinary Americans' recovery of sight in respect of what in reality government policy meant and to what it was leading—in the fall of 1982 some 60 percent of those polled did not approve of its activity.

Of course, the sharp drop in support was caused not only by "social revanche" or deterioration in the economic situation. A big part was played by widespread dissatisfaction with the militarist foreign policy and the arms race, which engendered in 1982 a rapid upsurge of the mass antinuclear movement. The militarist policy contributed to recognition in the country of the cruelty of the "social revanche". "At a time when an incredible amount of money is being spent for military purposes, the government is taking away the means of subsistence from people who count every dollar. What could emphasize more eloquently the White House's icy indifference to the man in the street?" the American economist L. Thurow wrote.*

Opposition in political circles, in both parties, got on the move. To some extent the increased opposition on the part of Democrats and some Republicans in Congress was explained by tactical considerations. In view of the approaching mid-term elections to the highest legislative body (in the fall of 1982), many of those faced with reflection endeavored to demonstratively dissociate themselves from the unpopular policy and its creators. But there were more serious reasons also. A considerable number of figures understood that the growing opposition in the country to the "social revanche" warned of the danger of it. The mass, militant movements of the American poor of the 1960's were too fresh in the memory, and the prospect of a resumption of most acute social tension was intimidating. The journal U.S. NEWS AND WORLD REPORT had written back in the summer of 1981: "The situation in the country is beginning to be reminiscent of that which led to the risings in the cities in in the 1960's."**

The first warning of the stimulation of the opposition was the White House's confrontation with Congress in the fall of 1981, when the lawmakers refused to consent to a demand for even bigger cuts in social spending. The second—and more serious—was the disintegration of the "conservative bloc" in Congress which had secured the passage of the government's legislative program: by the summer of 1982 it had ceased to exist.

The most impressive indication of the growth of the masses' discontent with government policy were the results of the mid-term elections, which are a traditional barometer of the attitude primarily toward domestic policy. The Republicans incurred a defeat, losing 27 seats in the House and preserving a small majority in the Senate thanks to a fortunate confluence of circumstances (1.5 times more Democrats were up for reelection than representatives of the governing party). Besides, the Republican Party lost seven governorships.***

^{*} Quoted from R. Lekachman, "Creed Is Not Enough, Reaganomics," New York, 1982, p 203.

^{**} See U.S. NEWS AND WORLD REPORT, 1 June 1981, pp 22-23.

^{*** &}quot;Statistical Abstract of the United States," 1984, pp 257-259.

The 1984 presidential elections were not far off, and those opposed to the "social revanche" clearly intended doing battle with R. Reagan. The 15th AFL-CIO Congress (the fall of 1983) adopted the resolution "Political Action," which said that the central task was "making 1984 the year of the biggest voter-registration drive among union members and ensuring that they vote." The negro organizations also prepared themselves for the fight to defeat the Republican candidate. As B. Hooks, executive director of the NAACF, declared in July 1983, "the threat from the White House is so great that it is essential that we try to actively influence the process of election of the country's next president." To what a stimulation of the opponents of the right wing could have led can be seen from the fact that, according to estimates, an increase of only one-fourth in the vote of black Americans could have cost R. Reagan victory in eight states.*

At the same time the opposition to the rightwing policy (whether among broad strata of the population or in the parties and in Congress), which was distinguished by the fragmented nature of its actions, was unable to assume the nature of a stable, cohesive and purposeful national movement. This was largely explained by the fact that the opposition forces had not formulated a precise alternative to the policy of the right. The ideological weakness was not fortuitous. The "liberal," reformist platform had discredited itself by this time. And the majority of forces opposed to the government were not in a position to move to the left and adopt a radical alternative.

After the Culmination

What was done by the Republican administration in the first year in office proved to be the culmination of the "social revanche". It has not advanced such large-scale conservative initiatives subsequently. And on the initiatives of a lesser scale the government was now frequently being defeated.

In the 1983 fiscal year the White House outlined "economies" in the social items of the budget of approximately \$9 billion, but Congress approved only one-third of the scheduled amount. Even fewer reductions were planned in the 1984 fiscal year, and mainly by means of the postponement of the commissioning of a number of programs. The American scholar R. Dugger calculated that in the first year the White House won from the lawmakers consent to 85-90 percent of the requested reductions (in social spending), in the second year 30 percent, and then Congress began to pass the "usual budget," that is, without predominant cuts in the social items.**

None of this, of course, meant in any way that the government had departed from a rightwing policy. If it was no longer successful in extending the "social revanche," it impeded the activation of new social security and assistance programs. Thus in 1984 the President vetoed a bill prepared in Congress on an extension of spending on the vocational training of the youth (it was contemplated allocating almost \$4 billion). A most acute need for an extension of social spending was perceived at the start of the 1980's for the number of persons in need of benefits (the elderly, the unemployed and the poor) had increased.

^{*} TIME, 22 August 1983, p 31.

^{**} See R. Dugger, "On Reagan: The Man and His Presidency," New York, 1983, pp 319-320.

The offensive against the working people was brought to a standstill by legislative means also, by the passage (sic) of acts limiting their economic and political rights. A bill in accordance with which an increase in the work day without the payment of compensation was indirectly authorized in a number of sectors of industry was rejected by the Congress. The same fate befell a bill lowering the minimum wage for young workers. A proposal to limit the working people's right to picket fell through also.

The administration was defeated on the question of financing social security. The heart of the matter was that there had come to be a shortage of sources of financing inasmuch as there has been a considerable increase in the number of persons in need of support and with a right to this benefit or the other. In 1981-1982 the question of ways of finding additional resources was studied by a special commission of Congress, which concluded that it was necessary to raise taxes. And although this was contrary to the rightwing conservative socioeconomic philosophy (tax cuts are one of its cornerstones), the government had, putting a brave face on things, to approve the commission's findings. "It is now politically impossible for Reagan to inflict yet another blow on those living in poverty," the commentator (Dzh).(sic) Safire commented on the situation.*

Nor did anything come of the "new federalism". It was not only the needy who were in the ranks of its opponents—it was opposed by practically all state governors and a large part of the members of the legislatures. And this was not surprising. For local politicians the shifting of responsibility for a significant proportion of social programs from the federal government to the local authorities portended big political troubles. It was not only that resources would have to be found for this. The voter would now be presenting the bill for inadequate social security not only to Washington but also the local authorities. Encountering opposition "from below" and "from above," the government was into reverse. The "new federalism" ceased to be mentioned, and after the 1984 election the administration acceded to a number of measures which signified its complete abandonment in the purely practical plane also. Thus the draft budget for the 1986 fiscal year provided for a reduction of \$3.4 billion in the federal government's monetary assistance to the local authorities, which obviously signified a movement in the opposite direction to the "new federalism".**

Besides the fact that the administration was unable to keep up the former pace in realization of the "social revanche" policy, it was afraid to do so from electoral considerations also. As the new presidential election approached, the White House deemed it advisable to cool the ardor of the right and move toward a certain flirting with the needy strata of the population. However, it essentially amounted more to words such as assurances of an intention to preserve the "safety net"—benefits for the "truly needy"—and also a variety of demagogic gestures addressed to the unions and the negro population. As far as practical measures were concerned, they were confined to a broadening of the financing of certain forms of assistance. As a WASHINGTON POST columnist wrote, the government had "tilted toward the center."****

^{*} WASHINGTON POST, 29 April 1983.

^{**} U.S. NEW AND WORLD REPORT, 11 February 1985, p 74.

^{***} See WASHINGTON POST, 12 July 1985.

The 1984 elections, which culminated in a victory for the Republicans (the decisive role here was played by the economy's emergence from the 1983-1984 crisis, which the administration was able to ascribe to "Reaganomics"), strengthened their positions and, correspondingly, created the prerequisite for new "social revanche". However, it was weaker than in 1981 and encountered far stronger opposition in Congress. The government again presented plans for a further cutback in social spending of \$55.9 billion in the coming 3 fiscal years. However, the allocation of resources now appeared differently. A number of limitations affected the interests of middle-income Americans, as the journal BUSINESS WEEK observed, whereas the budget economies in preceding years had been effected almost exclusively at the expense of needy people.* The White House's tax plans envisaged a reduction in the rate predominantly for the well-to-do and wealthy strata of the population. But it was not contemplated doing this in "pure form" but in combination with measures to eliminate certain "loopholes" by means of which these categories of taxpayers had succeeded in avoiding the payment of taxes at the full rate.

Carrying both measures through Congress proved more difficult than 4 years previously. Only by August did the legislators approve the budget, having taken from it somewhat more even than the administration had requested, but far from in respect of the items which it would have wished. Tax reform became bogged down on Capitol Hill altogether. There was a pronounced revival of the "anticonservative" opposition there, and nothing like the bloc of the right of 1981-1982 appeared. The journal U.S. NEWS AND WORLD REPORT wrote that the President had come up in Congress against a real "opposition minefield."** Such a situation was quite unusual for the United States, where a president's clear election victory more often than not ensures for him initially strong positions in relations with the Congress and, consequently, the smooth passage via the legislative body of White House initiatives. And if now the situation appeared different, this was to a certain extent because the experience of implementation of "social revanche" had revealed for many bourgeois politicians all too clearly the risks of further advance along this path.

Certain Results

The "conservative counterrevolution," as the domestic policy of the present U.S. Government is frequently called, has pursued two different goals in the sphere of social policy—short-term and long-term.

The first was to shift to a greater extent than previously the costs of the crisis and the emergence therefrom onto the working people. And the Republicans succeeded in this. The conservative "treatment" of the economy was paid for to an extent unprecedented in the postwar years by the people's masses.

As is known, as of the 1970's the number of poor people in the country has grown sharply. Whereas at the end of the preceding decade 24 million Americans had an income below the poverty line, according to official data,

^{*} BUSINESS WEEK, 18 February 1985, pp 18-19.

^{**} U.S. NEWS AND WORLD REPORT, 18 February 1985, p 24.

in 1985 the figure was 35 million. The category of "semipoor," whose income barely exceeds the poverty line, has grown also. Not in receipt of assistance and forced to pay in full for medical services and education and get by without subsidies for the meals of children in school and so forth, they experience at every hand even greater need than the official "poor". If these also are ascribed to the poor people, almost 50 million persons are living under conditions of extreme need in the United States. According to M. Snyder, leader of the American Community for Creative Nonviolence organization, "there we s not such poverty in the United States 20-25 years ago even."

In the same 1980's there has been a sharp upward turn of the unemployment curve, having in the fall of 1982 reached the highest "peak" since the 1930's. The economic inequality of Afro-Americans and the Hispanic minority has intensified sharply. Among negroes the poor constitute 35.7 percent, among Hispanic Americans 28.4 percent.

Of course, all this has been caused not only by government policy. The economic crisis objectively led to a deterioration in the position of the masses. However, what calls attention to itself in this case is the fact that it was very significant and went beyond what was observed in 1974-1975, although at that time the crisis was in all parameters deeper than in 1980-1982. And it is for this incommensurability of social consequences that the government is undoubtedly directly responsible. First, because its policy has not provided even for that limited set of instruments for alleviating the position of the needy to which recourse had been had in the past (expansion of worker-retraining programs, increased employment in the public sector by means of public works, introduction of new benefits and so forth). Second, owing to the fact that the government demonstratively relied on spontaneous anticrisis regulation and absorption of the recession by the market mechanism, and all this was knowingly attended by the greatest deprivations of the working people.

Things were different when it came to tackling the second, long-term, task-pushing back the working class meaningfully and for a long time from the frontiers it had gained in the struggle for social and economic rights, in short, making adjustments to the correlation of class forces in favor of the bourgeoisie. Much has already been said about the fact that this task really was set. In the course of the election campaigns and in the period of practical activity the President said repeatedly that he saw as the purpose of the administration's activity not simply the solution of this current problem or the other but the transfer of all socioeconomic policy to a different track and a break with the half-century (since F. Roosevelt's time) "wrong path," and, furthermore, a most appreciable mistake was seen precisely as the reformist course—what in the United States is called the "liberal approach" to domestic problems.

This was not simply bravado, as the initial stage of the government's activity showed. Much of that done or scheduled went beyond the limits of the solution of current problems. Thus the "new federalism" was a manifest attempt to create a permanent basis for less assertive federal authority in the social sphere. Long-term goals were also undoubtedly pursued by the persistent efforts to poison public awareness with prejudice in respect of the poor and the unemployed. The intimidation of the unions and the endeavor to take back certain rights from the negro population (the administration supported a number

of anti-negro bills in Congress) also testified that the government had in the sphere of social policy set not only tactical but also strategic goals. However, it has not succeeded in striking a crushing blow at the working people. The above-mentioned slowing of the turn to the right in the government's domestic policy has shown that the opportunities for conservative transformations are far from unlimited.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

THEORY ON 'CONSERVATIVE TURN' IN CAPITALIST POLITICS REFUTED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 123-131

[Article by G. Vaynshteyn: "The 'Conservative Turn' Concept and the Sociopolitical Awareness of the Masses"]

[Excerpts] The 1980's have been marked in the development of capitalism by a sharp intensification of its instability. Crisis trends are growing in various spheres of social life and the incapacity of the political and economic structures which have taken shape in the postwar decades to cope with the new situation is being laid bare increasingly distinctly.

The attempts of present-day capitalism to adapt to the objective realities of the present and the quest for ways out of the crisis are being reflected in the evolution of bourgeois ideology and changes in the party-political system. With the intensification of the socioeconomic instability of capitalism sentiments in favor of a revision of the methods of social maneuvering employed earlier are strengthening in its ruling class.

In a number of leading capitalist countries these changes are occurring under the sign of a stimulation of forces of the right expressing the interests of the most conservative wing of the bourgeoisie. Reactionary trends manifested in a limitation of democratic liberties, an offensive against the rights of the working people, the winding down of social security programs and increased aggressiveness on the international scene are growing. "In the political sphere," the draft new version of the CPSU Program says, "imperialism is characterized by a trend toward increased reaction in all directions." And, furthermore, conservatives are attempting with the aid of the most varied arsenal of weapons to impose their concepts on broad strata of the population, combining partial concessions with outright coercion. Reaction is endeavoring to introduce in the mass consciousness tendencies favorable to the former, hoping in this way to manipulate in its own interests the political behavior of various social strata.

The mass consciousness is experiencing the impact of diverse political and economic factors. It depends on the alignment of class forces in specific countries and the attractiveness of the programs and efficiency of the practical actions of the political parties. The working masses' rebuff of the offensive

of reaction is now moving as the predominant trend to the forefront. The antagonism between the monopolies and the vast majority of the population is intensifying in the capitalist countries. A characteristic feature of our time, the draft new version of the CPSU Program emphasizes, is the upsurge of mass democratic movements in the nonsocialist world. An important role in them is being performed by the communists and progressive forces and organizations.

In other words, the mass public consciousness is the target of an intensive ideological and political struggle and represents a contradictory, multilevel picture. Study of the processes developing therein is exceptionally important from the viewpoint of the confrontation between the forces of progress and reaction which had gripped the modern world.

In the Search for a Common Denominator

The viewpoint concerning the domination of conservative trends in the consciousness of the masses has become prevalent recently in the works of many Western political scientists and the speeches of politicians and commentators. It is claimed that the socioeconomic crisis led to an erosion of the liberal-democratic views which had developed at the preceding stage, led to an appreciable turn to the right of the working people's sociopolitical consciousness and ultimately determined the predominance therein of conservative ideological-political tendencies.

In a word, having formulated the high-sounding proposition concerning a shift to the right as the common denominator of the changes in the capitalist countries' political life, bourgeois authors are substantiating it with references to specific features of the mass consciousness, the entire essence of which they reduce to a desire for "internal and external stability and a halt to many of the social experiments proposed or conducted in the course of the 'rich 1960's'."* For example, evaluating the prospects of the changes in the capitalist countries' party-political system in the light of the public mood, the well-known American political scientists H. Penniman and R. Scammon asserted back in 1979 that they did not see in the foreseeable future in any major Western capitalist country the possibility of an outcome of national elections which would signify success for the forces of the left.**

In a number of Western countries the influence of reactionary, rightwing-conservative political forces has indeed grown. This is clearly reflected in the United States, Great Britain and the FRG. But election results in such countries as France, Spain and Greece have not corroborated the forecast of a general "conservative turn" of the West's political life. Although not on so large a scale, the weakening of the right was quite indicative in the course of the recent elections in Italy, Sweden and Finland.

^{*} T. Szulc, "Europe Turns Right" (NEW REPUBLIC, 19 May 1979, p 18).

^{**} See PUBLIC OPINION, June/July 1979, p 46.

The multiple meaning of the changes in the alignment of the political forces of present-day capitalism shows that the outline of the prophets of the onset of a "conservative era" are far from reality. Their assertions are groundless even in respect of countries in which there has been a turn to the right in the policy of the ruling circles. The strengtheing of reactionary trends here does not exhaust the real variety of positions of the masses. Indicative in this plane are such phenomena as the breakthrough into big politics of the "Greens" Party in the FRG or the consolidation of the centrist forces in Great Britain, which led to the formation of an electoral alliance of the Liberals and Social Democrats which is shaking this country's traditional two-party system. Other examples could be cited also.

More, far from all aspects of the public mood in the said countries contradicting the proposition concerning the "conservative turn" are exhausted by electoral forms of the behavior of the masses. The growing political alienation of broad strata of capitalist society is leading to their assertiveness going beyond the framework of traditional party-political institutions and stimulating a quest for new means and forms of manifestation of their views and demands. Recently such trends have been expressed in the spread of mass protest movements—of the defenders of the environment, civic initiatives and an alternative lifestyle.

Many bourgeois authors ignore such aspects of the mass mood, which do not fit into their scheme of a general shift to the right. And if they do speak about them, it is only as temporary, purely market-related pheonomena in no way comparable to the alleged deep-lying conservative rebuilding of the social consciousness. The political and ideological focus of this approach of bourgeois sociologists is clear: to create the impression that it is the policy of the forces of the right which corresponds to the basic requirements of the broad strata of the population and that the opposition to it is not based on the genuine mood of the masses and is devoid of a future.

Domination of Conservative Sentiments or Growth of the Contradictoriness of the Mass Consciousness?

In confirmation of the proposition concerning the conservative reorientation of the social consciousness bourgeois authors speak most often about the changes in the masses' attitude toward the "social state".

Truly, as of the mid-1970's, as the economic crisis has intensified, an increasingly significant proportion of the Western public has begun to express dissatisfaction with the efficiency of state-monopoly regulation of the economy and disenchantment with the social policy of the state. These reactions of the public mentality are being intensified by "neoconservative" propaganda. Playing on such sentiments and appealing to bourgeois-individualist stereotypes of thinking, the right aspires to the implantation of antistatist ideas and the conversion of the masses' discontent with the limited nature of the social policy of the state into a rejection of this policy as such. None of this, of course, is passing without trace for the consciousness of various social strata, including the working class. According to the data of an inter-nation survey conducted in 1983 in nine capitalist states (including the United States, FRG, Great Britain, France, Italy and Japan), the idea propagandized by forces of the right concerning the need for a reduction in the scale of government

intervention in the economy and a revival of the free market mechanism (as a means of overcoming the present economic difficulties) had influenced a large part of the population of these countries.*

At the same time, however, the socio-psychological trends developing under the sign of criticism of social policy and state-monopoly regulation are far more complex and ambiguous than bourgeois propaganda is attempting to portray them.

The majority of working people is aware of the impossibility of solving acute social problems with the assistance of the state. And the overwhe'ming proportion of the population in capitalist countries advocates an expansion of state spending for an improvement in the situation in the sphere of health care, education and environmental protection and in a whole number of others. Thus, granted the high level of Americans' discontent at the amount of federal taxes levied on them, at the end of 1981 some 73 percent of the population supported an increase in federal outlays on an improvement in the health care system, 72 percent on protection of the environment and 63 percent on an improvement in employment. In January 1984 some 51 percent of Americans believed that federal spending on assistance to the needy should be increased (41 percent believed it should be kept at the present level and only 8 percent believed it should be reduced). In March 1979 only one-third of the population in Great Britain supported a lowering of taxes signifying a corresponding reduction in government services in the sphere of health care, education and social security, and the same proportion believed that social services should be expanded, even if this meant a certain increase in taxes. By February 1985 the proportion of supporters of a growth of social spending, even at the price of a certain increase in taxes, had grown appreciably, constituting 63 percent of the country's population.**

Thus it is more correct to speak of an intensification of the intrinsic contradictoriness of the positions of the masses and not of a strengthening of trends toward a dismantling of the "welfare state".

Adherence to the traditional values of material prosperity in the contemporary social consciousness is being combined increasingly often with the sharply increasing need for an improvement in the qualitative aspects of life. When evaluating this phenomenon Western sociology usually takes the path of contrasting "materialist" (that is, socioeconomic) and "anti-consumer" values with the emphasis on qualitative, meaningful aspects of life and the requirements of self-fulfillment, democratic participation and environmen' 1 protection. Such an interpretation oversimplifies the actual trends of development of the mass consciousness, which are characterized not by some value orientations being superseded by others but rather by the complication of their interconnections.

Two more or less stable categories of people are taking shape, one of which is maintaining allegiance to purely "materialist" realities while the other is attaching priority to purely noneconomic, "antimaterialist" values. The

^{*} See PUBLIC OPINION, Aug/Sep 1983, p 55.

^{**} Ibid., Feb/Mar 1982, p 29; Apr/May 1984, p 24; Jun/Jul 1985, p 58.

representatives of the more educated and prosperous social groups here are acquainted with "anti-consumer" values more actively than the socioeconomically less well-to-do categories of working people (small farmers, physical laborers). However, as a whole, less than half of the population of capitalist countries expresses adherence to the opposite orientations. More prevalent is the category of persons with a complex, intrinsically heterogeneous structure of value tendencies oriented equally toward satisfaction of both material and nonmaterial requirements.

Political Choice of the Masses--Shifts in the Motivation Mechanism

The question arises: how does the complication of the structure of the sociopolitical mood of the masses and the increased ambiguity of their political requirements tie in with the strengthening in certain countries of the positions of forces of the right?

To all appearances, the shift to the right of the axis of the political life of a number of countries does not have a uniform socio-psychological explanation. When bourgeois authors declare that the shifts in the alignment of the political forces were predetermined by the ideological reorientation of the masses, they are deliberately oversimplifying the problem, downplaying the degree of polarization of the mass consciousness and glossing over the contradictions which really exist. Yet the consciousness of broad strata of the population is characterized, as before, by a disenchantment with bourgeois policy, distrust of any bourgeois parties and doubts as to the latter's capacity for finding solutions of socioeconomic problems which would correspond to the interests of the masses.*

Bearing these sentiments in mind, it can hardly be considered that the support by part of the electorate for political forces of the right signifies its turning to the right and switch to the positions of conservative ideology. To say that the changes which have occurred in the system of political power of a number of capitalist countries is a result of the masses' steady assimilation of new ideological-political positions is a manifest oversimplification of a complex phenomenon whose essence consists of the shaking of the former ideological positions of the masses and the general complication of relations between ideology and mass political behavior occurring as a result of this.

^{*} At the start of the 1980's in the FRG a stable one-third of the population believed that none of the country's main parties could find the right key to the solution of the problems posed by the crisis. In the United States in 1982 some 62 percent of Americans evaluated negatively the effectiveness of the programs for a solution of economic problems proposed by both the Democrats and the Republicans. In August 1983 in Great Britain 58 percent of those polled declared that the Conservatives were not concerned what difficulties their policy causes and 57 believed that the Tories operate in the interests of the rich and not the ordinary people. In this same period 38 percent of Britons rejected in principle the capacity of the Conservatives and 40 percent the capacity of the Labor Party for running the country in the interests of the masses.

The growing intrinsic conflict nature of the mass consciousness is making it more receptive to the most varied ideological-political influences. Increasingly great significance for the electorate is attached not to the perception of political identity formed by previous experience and not to the traditional image of this party and political institution or the other enshrined in its consciousness but to the actual content of their activity and the specific nature of the programs advanced and implemented by them.* This strengthening of the pragmatic principle of motivation of the electorate's behavior played a considerable part in the political changes on the eve and at the outset of the 1980's. The increased concern of many voters under the conditions of economic crisis primarily at problems of society's socioeconomic development combined with disenchantment with liberal-reformist methods of an improvement in the economy, which had shown their ineffectiveness, contributed to the strengthening of the positions of the forces of the right, which had presented programs of rebuilding of the economic policy of presentday capitalism.

The signficance of these pragmatic motives determined the outcome of recent presidential elections in the United States to a considerable extent. Numerous facts testify to the profound unhappiness of a considerable proportion of Americans with a number of specific directions of the domestic and foreign policy of the Republican administration. However, when analyzing the factors which brought about (despite these sentiments) R. Reagan's reelection to a second presidential term we cannot disregard the fact that there had been an improvement in economic indicators in the United States in 1983-1984 and that this was perceived by many voters as evidence of the effectiveness of the Republican administration's economic policy. Obviously, without considering the optimistic expectations brought about by the upturn in the economy it is difficult to correctly understand the reasons for the high level of electoral support for the Republican candidate by certain groups of the American population which are traditionally on the side of the Democrats-workers, union members, the youth and, even less, retirees and unemployed, who are experiencing particular economic difficulties.**

** Voting for R. Reagan were 53 percent of workers; 58 percent of the electorate aged 18 to 29 and 60 percent of those voting for the first time; 62 percent of retirees and 31 percent of the unemployed (NEW YORK TIMES, 8 November 1984).

^{*} In the course of the 1979 General Election in Great Britain only for 23 percent of the electorate was the motive which exerted the most influence on their voting decision "long-standing loyalty" to one of the parties and for 20 percent of the electorate was the personality of the party leader or of specific candidates standing in this constituency or the other the main factor of their behavior at the election. At the same time, however, 52 percent of the electorate declared that their decision had been influenced primarily by "party policy on the key issues on the agenda". Following the 1982 mid-term elections in the United States it was ascertained that only for 15 percent of the electorate was the main point which determined the nature of their vote the party of the candidate for whom they voted, whereas for the bulk of the electorate (60 percent) the main motive of choice of candidate was his position on problems of the economy and military policy.

Of course, in speaking of the motives which guided the electorate in voting for figures of the right we should not exaggerate the significance of pragmatic considerations and a practical perception of the problems at the center of the political struggle. The present-day singularities of the development of the mass consciousness engender therein pheonomena of an entirely different order also. A result of broad strata's growing disenchantment with bourgeois ideals and values is often an increase in irrational elements in the structure of the public philosophy of life. Symptomatic in this plane are the trends of a revival of such phenomena as mysticism, interest in all kinds of "new religions," an endeavor to escape from the "modern technical world" and a longing for the past and romanticization of patriarchal social structures. Such trends also make their mark on the political behavior of the masses. The accession to office on the eve and at the outset of the 1980's of politicians of the R. Reagan type in the United States and M. Thatcher in Great Britain was facilitated to a considerable extent by the desire of certain groups of the electorate for a "strong personality" spurred by a feeling of confusion and fear in the face of sharply increased socioeconomic and foreign policy instability.

At the same time behind the strengthening of conservative political forces there could be a certain rationality and "economic egotism" of individual groups and their reluctance to "pay" by a deterioration in their position for a continuation of social security programs. Such "practical" considerations are most characteristic of the bourgeois strata. But they are penetrating the environment of the working class also, being expressed in the concern of a certain part of it, mainly the highly skilled workers and technicians, to preserve under the conditions of economic crises merely their own narrow-group interests.

There is also another aspect of the interconnections between the rationality of the consciousness of the masses and their support for political forces of the right. Endeavoring to conceal the bankruptcy of conservative forces in the solution of a number of social problems, bourgeois ideology is portraying crisis socioeconomic phenomena merely as the result of objective difficulties of social development, keeping quiet here about the fact that the crisis and spontaneous nature of development itself is the natural form of capitalist production. As a result the masses' opinions concerning phenomena of social life frequently reflect a propensity to absolutize the significance of factors which are beyond the control of the system of political power.* The prevalence of such sentiments is largely explained by the quite high effect of the conservatives' "rationalist" demagogy stimulating purely pragmatic motives in the political behavior of the masses.

^{*} Thus at the start of 1981 in France 47 percent of workers cited as the main reason for the country's economic difficulties "world economic conditions" and only 31 percent cited the policy of the bourgeois government which had been in office until 1981. Similarly in the United States at the end of 1983 only 21 percent of those polled placed responsibility for the high level of unemployment on Reagan's policy, whereas 48 percent cited as its main cause "foreign competition" and 39 percent the "economic recession". Given that the majority of the population perceived a deterioration in its position in respect of a whole number of socioeconomic parameters, in April 1984 in Great Britain only 19 percent of those polled considered the Conservative government responsible for this, whereas 36 percent blamed the "world economic recession" and 19 percent the policy of the unions.

In analyzing the factors which in recent years have brought about shifts in the political behavior of the working people of a number of capitalist countries mention should also be made of the dependence of their choice on the content of the political process and the ideological-political struggle in present-day bourgeois society. Numerous facts testify to the profound sociopolitical unhappiness of a considerable proportion of the working people. At the same time a factor preventing the growth of this unhappiness into action and a struggle for more or less appreciable sociopolitical change is the fact that the broad masses simply do not see on the political scene sufficiently influential forces which could express their highly complex and contradictory requirements and afford them inspiriting confidence in the possibility of its (sic) implementation of a progressive program of alternative social development.

Such a situation is leading to complex consequences. Not finding an outlet for their opposition sentiments within the framework of customary, "legalistic" forms and at the same time not knowing, as a rule, other ways of expressing them or having become disenchanted with them, some working people are experiencing weariness and political apathy. Mnay of them are characterized by an endeavor to transfer interest from the sphere of politics to the realm of private life and daily, narrow-group concerns. They feel indifference and even hostility toward the election process. The scale of this phenomenon (particularly in the United States) is indicated by the electorate's widespread absenteeism.*

The other part of the masses, which keeps up its political assertiveness, is led by this incapacity of the traditional parties for opportunely catching and reflecting in their policy the former's real, vital interests to participate in various public movements actively advancing, although individual, highly specific demands—protection of the environment, equality for women, youth and ethnic minorities, an improvement in the quality of consumer goods and so forth. Such movements, which frequently are of a temporary nature, lack a precise organizational structure and operate, as a rule, by nontraditional methods, outside of the existing party-political institutions, have become a characteristic phenomenon of present-day capitalism.

Particular significance has been attached to these trends recently in connection with the expression of sentiments of such extraordinary importance for the present state of the political consciousness of the masses as antiwar sentiments. The will to peace is today proving to be the grand and at the same time perfectly specific goal which, affecting the central problems of social development, is rallying together in the capitalist countries public strata of the most varied ideological standpoints. And this aspiration expressed in protests against the nuclear threat and for disarmament is in a number of countries finding a political realization in the channel of new public-political movements.

^{*} The results of a poll conducted in the United States in 1976, for example, are indicative for a characterization of the motives guiding the electorate declining to vote. Some 58 percent of the voters who did not show up at the presidential elections were of the opinion that the United States "is in need of more radical changes than those which can be achieved by way of the vote" (see R.W. Larkin, "Suburban Youth in Cultural Crisis," New York, 1979, p 17).

And, finally, one further result of the failure of the possibilities of political choice available to the masses to correspond to their actual political orientations and requirements is that the working people's support of this party or the other is frequently dictated not so much by approval of the goals which it puts forward as disenchantment with the policy of the opponents.* The behavior of a considerable proportion of the electorate aspiring to social change is to a far greater extent the result of a rejection of this policy or the other than support for the alternative. This influence of the negative principle on the electorate's political choice was largely responsible for the specifics of its behavior at the time of the elections on the frontier of the 1980's, when discontent with the socioeconomic situation entailed the refusal of a considerable proportion of the population to support the policy of the ruling parties and stimulated a thirst for change. In some cases (as in Great Britain, the United States and the FRG, for example) this contributed to a strengthening of the positions of conservative circles. In others, in France, for example, the same trends of the political behavior of the masses worked in an entirely different direction, facilitating the accession to power of political forces which personified at the start of the 1980's a leftwing alternative for many working people.

The difficulties being encountered by the working people of the capitalist countries today in the quest for alternatives in keeping with their requirements stand out in particular relief when the question of specific and effective, what is more, manifestations of the anticapitalist and antimonopoly aspirations of the masses arises. For an adequate expression of political protest against the existing system and the advancement of demands for cardinal social change the presence on the political scene of forces presenting progressive programs of social transformations is not enough. Great significance is attached to their capacity for proving to the masses the practicable and substantiated nature of the solutions of economic, social and political questions which they propose. The need for a creative and at the same time ideologically scrupulous solution of the complex problem of relations with the working masses is being recognized increasingly clearly today by the communist parties of the capitalist countries. In his report to the 25th PCF Congress G. Marchais, leader of the French communists, firmly stated the need to offer the popular movement a clear, realistic and mobilizing prospect.

^{*} In Great Britain 59 percent of the electorate which participated in the June 1983 election was guided in its voting not by a positive attitude toward the program of the party which it supported but rather by a negative assessment of the program principles of all the other parties. Such motives also performed a similar role at the two recent presidential elections in the United States. In 1980 some 50 percent of the American electorate was guided not by a liking for the positions of the candidate for whom it voted but by a negative attitude toward the other candidates. On the threshold of the 1984 election 27 percent of Americans who intended voting for R. Reagan explained their positions not by support for the political course of the Republican administration but rejection of the candidacy of W. Mondale. To an even greater extent negative motives were the reason for the behavior at this election of the Americans who preferred W. Mondale. In September 1984 some 55 percent of his supporters declared that their decision had been dictated more by a rejection of R. Reagan than support for W. Mondale.

The content of the sociopolitical views of the masses in the contemporary capitalist world is highly complex. The consciousness of masses experiencing the influence of capitalist social relations and bourgeois ideology is characterized by profound intrinsic contradictions. However, the existence therein of confrontational features and trends testifies to the bankruptcy of bourgeois concepts declaring conservatism the predominant feature of social trends.

The sentiments of social and political dissatisfaction widespread in the mass consciousness afford possibilities of a stimulation of the working masses, a strengthening of their protests against the bourgeois policy of "social revanche" and their increased resolution in defense of their interests.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

BOOK ON INTERNATIONAL MILITARY-INDUSTRIAL MONOPOLIES REVIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 148-149

[S. Kazennov review: "Material Basis of the Expansion of Militarism"]

[Text] In the past decade the process of internationalization of the imperialist states' military-economic activity has developed particularly rapidly and has largely determined the current state and prospects of the development of the military preparations of the NATO countries and their allies. The book* analyzes the role in this process of the leading military-industrial monopolies and examines in detail various aspects of military-economic relations in the capitalist world—their determining factors, forms of realization (trade in arms, equipment and the technology for its manufacture, joint programs in the sphere of arms development and production, creation of a military infrastructure, control systems and so forth) and the role of governmental and intergovernmental authorities in this activity. It is shown on the basis of specific material how the arms race is encompassing an increasingly large part of the nonsocialist world.

The author studies in detail questions of increased military-economic interaction within the NATO framework, the role of the United States in this process and problems of strengthening the "West European pillar" of the bloc and transatiantic cooperation.

The intensive creation of the aggregate military-economic power of imperialism which is occurring at the present time, the sharp growth of the scale of military economic preparations and their increased efficiency, the growth of the interaction of various components of the military economy-all this is oriented, as the researcher emphasizes, toward the achievement of military superiority over the USSR and its allies (pp 3-4). Specifically, this orientation is manifested in efforts pertaining to the buildup and consolidation of the military-economic potentials of the NATO countries, which accounts for the overwhelming proportion of the capitalist world's military production. In addition, attempts are being made to also involve in the military-economic activity of the NATO bloc both developed and developing states which are not

^{*} A.V. Buzuyev, "Mezhdunarodnyy voyenno-promyshlennyy biznes. Zarubezhnaya deyatelnost voyenno-promyshlennykh monopoliy Zapada" [International Military-Industrial Business. Overseas Activity of the West's Military-Industrial Monopolies], Moscow, Izdatelstvo "Mezhdunarodnyye otnosheniya", 1985, p 200.

a part of it—to enlist their financial, production and research resources and also use their territory with its existing military infrastructure or one being built there. Thus does imperialism aspire to the achievement of its strategic goals, "having expanded to the utmost... the aggregate military potential of the NATO countries and other aggressive military—political alliances" (p 45).

The question of the "horizontal escalation" of the capitalist states' military-economic interaction and its extension to countries which are not members of NATO which A. Buzuyev analyzes is of particular interest. Thanks to arms exports to countries outside of this bloc, the leading imperialist powers are partially financing their production and research base and in fact creating considerable additional capacity in military industry. In addition, weapons supplies to states which are not a part of NATO serves as a concealed form of expansion of the framework of the storing of these weapons and thereby of NATO's military basing system.

It should be noted that recently, particularly at the time of the sale of modern arms, the deals that have been consummated have been of an increasingly comprehensive nature, that is, the supplies of weapons proper have been accompanied not only by agreements pertaining to servicing them and providing spares but also the training of personnel and the creation of facilities of military industry and the infrastructure (pp 67-68).

With the aid of the West's monopolies arms production has been established in almost 50 developing countries (p 186), for the purpose of duplicating individual works and creating a reserve repair base included. A gamble is being made on trying many countries outside of NATO even more to the plans for the formation of a global structure of the aggregate military-economic power of imperialism and increasing their dependence on the leading imperialist states in the military-economic sphere.

The most important regions and countries (by virtue of their geographical, military and military-economic position, availability of resources and so forth) are being pulled into the orbit of imperialism's military-economic relations primarily. Particular attention is being paid to the enlistment in this process of Japan, whose military-industrial firms are manufacturing under license, American predominantly, a whole number of the most modern types of arms and which recently have been participating increasingly actively together with the NATO countries in the development of the latest, including space, equipment of a military purpose.

While noting the sharp increase in the military-economic interaction of the imperialist states the author at the same time analyzes the contradictions between them also—in the struggle for arms sales markets, technological leadership and the leading role at the time of realization of large—scale international projects in the arms and military infrastructure sphere (pp 168-169). In our view, the book should have provided semantic delimitations of the terms characterizing weapons exports (the sale of arms and their actual deliveries do not in many instances coincide in time) and specified the times of the fulfillment of individual programs. I would like to have seen more precision in the tabular material. As far as the international weapons trade

is concerned, primarily within the NATO framework, it is combined, and increasingly broadly, with the partial production by the recipient country of the system being supplied. This is an important aspect of contemporary military-industrial business, and its particular features should have been characterized in more detail.

We would note in conclusion that the book in question examines sufficiently fully the economic aspects of the activity of the military-industrial monopolies and their influence on the state of the economy and international relations of the capitalist states and the exacerbation of interimperialist contradictions.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

AMERICAN SCHOLARS' WORK ON U.S. FOREIGN POLICY ASSAILED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 151-153

[Yu. Belokon review: "In a Spirit of Confrontation"]

[Text] The book "To Promote Peace: U.S. Foreign Policy in the Mid-1980's"* was published under the aegis of a pillar of American conservatism—the Hoover Institution of War, Revolution and Peace, which serves as a kind of "nutrient medium" for the ideological platform of the present Republican administration. It sums up certain foreign policy results of the first term of the R. Reagan presidency and on this basis offers prescriptions for the immediate future.

The arguments (beginning with the work's title) concerning the United States' "peaceableness" correspond to the style of the pacifist rhetoric which has been prevalent recently in the speeches of American officials and which is designed to conceal the aggressive policy of the biggest imperialist power of confrontation with the socialist countries and intensification of the arms race. Endeavoring to whitewash the hazardous course of the United States on the international scene, the authors appeal to the main argument, of which Washington officials constantly avail themselves—the need to counteract the mythical "Soviet threat". They resort here to a flagrant falsification of facts and figures and endeavor to confuse the reader concerning the true goals of the peaceable Soviet foreign policy.

Thus Boston University professor (G. Metr) tries in vain to prove the presence of the notorious "Soviet threat," arbitrarily manipulating figures concerning the correlation of the nuclear potentials of the USSR and the United States. W. Van Cleave, leader of the strategic studies program at the University of Southern California, while also complaining about the imaginary U.S. "lag" in the military-strategic sphere, at the same time does not conceal that the Pentagon's concept of launching "selective strikes" at enemy targets is designed to afford Washington an opportunity to make more extensive use of nuclear blackmail in realization of its expansionist foreign policy (pp 216, 266).

^{*} Edited by Dennis L. Bark, Stanford, Stanford University, Hoover Institution Press, 1984, pp XXVIII + 298.

Reflecting the views of Western strategists who regard detente merely as a means of undermining the socialist system in the USSR, R. Conquest, senior research fellow at the Hoover Institution, asserts that detente brought the West no benefits, meaning that life has shown the futility of hopes for "internal changes" in the Soviet Union to the liking of the imperialist states. He harbors untenable hopes that a policy of spurring tension and adding a new twist to the arms race spiral will shake the Soviet people's resolve to build communism. Echoing this author, his colleague at the institution, M. Drachkovitch, actually calls for the organization of an economic blockade of the USSR given the simultaneous promotion of the economic and "humanitarian dependence" on the West of the East European socialist states (pp 207, 213, 253, 254).

The political scientist A. Beichman complains that in the 1970's the overseas activity of the American special services, "celebrated" for their dirty, criminal actions, was placed under some supervision on the part of the U.S. Congress. While welcoming the R. Reagan administration's measures to remove such supervision, he insists on a significant reorganization of the CIA for an increase in the efficiency of American intelligence's subversive work against the socialist states (pp 290, 292).

The book's material testifies to transatlantic conservative circles' serious disquiet at the growth of the antiwar movement in West European countries aimed primarily against the deployment of American intermediate-range nuclear missiles there. Thus (L. Genn), fellow of Oxford University, calls this movement NATO's "most serious test" in the whole time of its existence, unwillingly admitting the falsity of the assertions of Western propaganda that it is "inspired by Moscow" (pp 102, 112). Together with the French professor A. Besancon he expresses dissatisfaction with the active participation of religious believers in this movement, who by their aspiration to save peace "at any price" are allegedly hampering the West's "defense" measures. Not in the least embarrassed by the flagrant provocative nature of their recommendations, the authors attempt to prompt the church to a "genuine reformation" presupposing a renunciation of the "legacy" of detente--suppression in the clerical environment of any dissidence and uncompromising "condemnation" of communist ideology and real socialism (pp 38, 39).

Reacting to the broadening antiwar mood in West European countries, Prof M. Krauss (New York University) and (G. Metr) call on Washington to actually put pressure on its NATO allies (employing the threat of a resumption of "neo-isolationist" trends in American foreign policy and the United States' abandonment of its commitments to "defend" its bloc partners) for a fundamental reorganization of the activity of this military alliance: a sharp increase in the allies' contribution to military preparations and extension of the sphere of NATO's activity to considerable expanses of the developing world (pp 124, 229).

Professor of physics at the University of California (Berkeley), E. Teller, who is known for his reactionary views and is a zealous supporter of the "from-a-position-of-strength" policy in respect of the USSR, goes even further. Taking cover behind fabrications concerning the "Soviet threat" to the Near East sources which supply the West with oil, he makes cynical appeals for the creation

of a so-called "energy weapon". By way of stockpiling in the United States huge reserves of energy raw material and the accelerated development of nuclear power and other alternative sources he proposes turning the country into an energy exporter, which would make dependent America's allies and other states experiencing a shortage of energy resources (pp 69, 80, 81).

Washington's policy of the use of force against states and national liberation movements which are not to its liking, particularly in Latin America, is causing alarm even among representatives of conservative circles in the country, which fear "new Vietnams" and an undermining of the United States' authority and influence in the Western hemisphere. R. Wesson, professor at the University of California (Santa Barbara), calls for more flexibility in the United States' Latin America policy and the extensive use of economic levers of influencing the political situation in countries of the region and Washington's performance of the role of political arbiter in the settlement of disagreements between them (pp 137, 139, 140).

The reasons for the R. Reagan administration's increased interest in the Asia-Pacific region may be judged by the material of a chapter written by R. Meyers, senior research fellow at the Hoover Institution, who predicts its conversion into a center of world trade and politics. The author calls on the United States to lower the intensity of the American-Japanese "trade war," which is impeding the expansion of the two countries' military-political cooperation. At the same time, however, he fears that Washington's active demands on Tokyo to increase its contribution to American "defense" preparations in the region could bring about "undesirable consequences" also: a sharp response on the part of many young independent states, which are following with alarm the revival of Japanese militarism, a budget crisis in Japan and the replacement of the LDP government as a result of a growth of antiwar protests and also retaliatory measures by the USSR dictated by concern for its security. Regarding China as an ideological rival of the United States, R. Meyers believes that Washington should cooperate with this country only in the event of direct advantage to itself, not making any concessions to it. He builds his considerations on the dubious proposition that the tension in China's relations with the Soviet Union and Vietnam, which is allegedly to the United States' advantage, will continue in any case, being allegedly a "long-term factor" (pp 143, 146, 155, 157).

G. Lenczowski, fellow at the institution, sees as the main purpose of U.S. policy in the Near East Israel's association with the conservative Arab regimes to counter the notorious "Soviet threat". For overcoming the hostility in these regimes' relations with the Zionist state it is proposed interesting them more actively in a variety of plans for a half-baked "solution" of the Palestinian problem. The author counsels the United States to establish a dialogue with the PLO in order to split the Palestine Resistance movement and, on the other hand, seek from Israel certain negligible concessions in order to "butter up" the conservative Arab regimes and contribute to the detachment of "moderate" elements in the PLO (pp 176, 179).

Emphasizing the West's strategic and economic interests in Africa, (P. Daynen), senior research fellow at the Hoover Institution, points to the "globalization" of U.S. policy on the continent, by which is meant its increasingly active efforts to act the part of main guarantor of the system of imperialist

exploitation of the African peoples. He calls on the United States to mobilize its allies to consolidate the West's positions in "key" African countries, not fearing identification of its policy with support for reactionary, antipopular regimes. The author candidly declares that Washington should perform active subversive work against progressive African states, in particular, encourage antigovernment demonstrations in Ethiopia for the purpose of bringing about its "reorientation". At the same time, recognizing that Washington's long-standing policy of actually encouraging the inhuman apartheid regime has brought the West "few successes," (P. Daynen) advocates greater "flexibility" of American policy in Southern Africa, where the extremely tense situation demands, he believes, concessions to secure imperialist interests. He calls on the West to "flirt" with certain countries to split the African front of opposition to the policy of apartheid and aggression being pursued by Pretoria (pp 184, 190, 193, 195).

Showing himself to be a fierce reactionary is M. Krauss, who calls on the R. Reagan administration, which has already cut back heavily on the amounts of economic assistance to the developing countries, to virtually renounce it completely. The purpose is to stimulate the private sector and thereby avoid the "socialization" of their economies. And with the resources thus "saved" he considers it essential to strengthen the West's military-political relations with these states, tie them to the American aggressive policy and increase their dependence on the transnational corporations (pp 13, 16, 18, 20, 22).

The book in question makes it possible to compose an idea of the current trends in U.S. conservative thought exerting a considerable influence on the present administration's foreign policy. Having encountered active opposition to Washington's aggressive policy on the part of the peaceable community, the conservatives, in accordance with their ideological postulates, are urging a further freeing of the "spontaneous forces" of capitalism for an offensive against the socialist system and a blow at progressive movements, whether in the economic sphere (economic blockade of the USSR, abandonment of economic assistance to the developing countries) or in policy (mobilization of intrinsic resources and also the possibilities of America's allies for imposing a military-political confrontation with the socialist states). At the same time, however, they incline toward the need for the United States to pursue a more subtle policy camouflaged by phrases concerning peaceableness and a readiness for compromise, but in fact aimed at "rolling back" socialism and isolating or undermining from within progressive movements with the use of a broad range of weapons for influencing the allies and the developing countries.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869 CSO: 1816/07

BOOK SEES U.S. FOREIGN POLICY AFFECTED BY INTERNAL FACTORS

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 86 (signed to press 12 Feb 86) pp 153-154

[V. Avakov review: "Crisis of the Social System"]

[Text] The United States plays an exceptionally important part in the world—this is axiomatic of contemporary international relations. America's power could objectively contribute to a strengthening of peace on Earth. It is also capable of undermining the foundations of international security. Today, unfortunately, it is in the hands of those who have no desire to reconcile themselves to the realities of the era, who, as before, remain in the grip of illusory hopes of hegemony in the world and who, like Kipling's cat, would like "to walk by themselves".

Washington's foreign policy has seriously exacerbated the international situation. For this reason the task of ascertaining its internal mainsprings and motives remains so urgent in both the theoretical and practical planes.

The book in question* examines the main questions of the domestic life of American society and, primarily, the exacerbation of its social and economic problems and the cracks in the political structure. "This is not done," the author observes, "to gather together all that is worst about America. By no means. Domestic trouble has become the axial line of the United States' development and the starting point of virtually all main events and trends" (p 6). The United States' role in world politics of the latter half of the 1970's-start of the 1980's is shown also and an attempt is made to answer the question: why and how did America's ruling circles turn to confrontation?

I. Pavlov believes that the sources of the reorientation of American foreign policy lie mainly in the sphere of U.S. domestic life, which is showing signs of stagnation, recession, a shattering of hopes and broken illusions. It is not fortuitous that he calls the 1970's a "decade of crises". The 1969-1971 crisis was a kind of "precursor" of subsequent crises which led in the 1970's

^{*} Igor Pavlov, "Amerika trevozhnykh let. Dokumentalnyye ocherki vnutrenney zhizni i vneshney politiki SShA v 70-80-e gody" [America's Troubled Years. Documentary Outline of the United States' Domestic and Foreign Policy in the 1970's-1980's], Moscow, Izdatelstvo politicheskoy literatury, 1984, p 254.

to "the country's economy rolling back or experiencing stagnation" (p 10). The decline in the rate of industrial production, the growth of unemployment, inflation—these are the most obvious consequences of the economic crises of the past decade. The facts adduced by the author show how tangibly and painfully they were reflected in the life of the American working people.

The economic trouble was the gloomy background against which were clearly traced social inequality, political instability, a further exacerbation of relations between the working people and the monopoly bourgeoisie, increased racial and sexual discrimination in the sphere of higher education and in the health service and ugly manifestations in culture, morality and in Americans' whole way of life. To a greater or lesser extent these problems have been reflected in I. Pavlov's work.

The ideological-political crisis which hit the institutions of power and bourgeois political parties has been illustrated more fully, we believe. And this is not fortuitous. There was no end in the United States in the 1970's to scandalous exposures of political machinations, bribe-taking and swindling and flagrant violations of legality on the part of the highest figures. The reader will undoubtedly be interested in certain new details of the "Watergate affair"; the scandal linked with U.S. Vice President S. Agnew; and the very big FBI Abscam ("Arab money") operation, which uncovered corruption in the elective bodies. Of course, nor have these negative aspects of the life of the American establishment disappeared even now; they have not become and could not have become the exclusive property of the past. The socioeconomic and sociopsychological conditions which had been created in the United States by the end of the 1970's opened the way to power to the militant wing of the ruling upper crust.

The accession to leadership of the country of rightwing-conservative forces had far-reaching consequences not only for the domestic life of the United States. They launched an attack on all the positive achievements of detente, preferring to cooperation on the international scene an avowed confrontation with the socialist world. And although this occurred under the Republicans, the first steps were taken back at the time of the J. Carter administration, which, as the book observes, "disrupted the objective possibilities for a fundamental reform of the United States' international activity which had appeared earlier. Instead of progressing along the path of realism and soberly adapting to realities, J. Carter led American policy in the opposite direction" (p 146).

With the accession of the R. Reagan administration the conservative-militarist forces, excelling in attempts to create the impression of a "crisis of American security," expatiated incessantly about the "Soviet military threat". Virtually any attempts to solve this international problem or the other by the method of negotiation and compromise was unreservedly equated with "defeat". And all this was done with the sole purpose of obtaining Americans' "o.k." to the pursuit of a militarist policy and justifying the turnabout in foreign policy and an unprecedented arms buildup.

"The America of the present troubled years is an unusually distinctive demonstration of the connection and unity of the crisis of the social system and the practice of imperialist reaction," we read in the concluding section of the book (p 243). We can agree with this conclusion unreservedly.

The reviewer is always faced with the difficult task of evaluating a work and noting its shortcomings. This is difficult in this case also. The work contains many interesting facts (sometimes little-known), but it is of a predominantly descriptive nature, and its analytical aspect is manifestly meager. But let the reader judge for himself whether this is a plus or minus, considering that the author obviously did not in subtitling the book "documentary outline" set himself exploratory goals.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986

8850/9869

END

CSO: 1816/07

END OF FICHE DATE FILMED

7-10-86